

DEBENTURE TRUST DEED

EXECUTED BY

LENDINGKART FINANCE LIMITED

IN FAVOUR OF

CATALYST TRUSTEESHIP LIMITED

IN RESPECT OF

**ISSUANCE OF SENIOR SECURED UNLISTED UNRATED REDEEMABLE
NON-CONVERTIBLE DEBENTURES AGGREGATING TO
Rs. 108,00,00,000/- (RUPEES ONE HUNDRED AND EIGHT CRORES ONLY)**

DATED AS OF MARCH 22, 2021

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DEBENTURE TRUST DEED

This **DEBENTURE TRUST DEED** (hereinafter referred to as the “**Deed**”) is made at New Delhi, on this the **22nd** day of March 2021 (hereinafter referred to as the “**Effective Date**”) by and between:

LENDINGKART FINANCE LIMITED, a public limited company incorporated under the Companies Act, 1956 (1 of 1956), having CIN U65910MH1996PLC258722 and registered as a non-banking financial company with the Reserve Bank of India, having its registered office at A-303/304, Citi Point, Andheri-Kurla Road, Andheri (East) Mumbai, Maharashtra 400059 and a corporate office at 6th Floor, B Block, The First, The First Avenue Road, Behind Keshavbaug Party Plot, Vastrapur, Ahmedabad, Gujarat 380015 (hereinafter referred to as the “**Company**”, which expression shall, unless repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of **THE ONE PART**;

AND

CATALYST TRUSTEESHIP LIMITED, a company incorporated under the Companies Act, 1956 (1 of 1956) and having its registered office at GDA House, First Floor, Plot No. 85, S. No. 94 & 95, Bhusari Colony(Right), Kothrud, Pune-411038 and branch office at Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400098 and 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi -110001, hereinafter called the “**Debenture Trustee**”, (which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of **THE OTHER PART**.

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

WHEREAS:

- A. With a view to raising debt to meet its funding requirements for the Purpose (as defined hereinafter), the Company proposes to issue 1080 (One Thousand and Eighty) Senior, Secured, Unlisted, Unrated, Redeemable, Non-Convertible Debentures, each having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) of the aggregate nominal value of Rs. 108,00,00,000/- (Rupees One Hundred and Eight Crores only) (hereinafter referred to as the “**Debentures**”) for cash, at par, in dematerialised form on a private placement basis to certain identified investors (hereinafter referred to as the “**Issue**”);
- B. The Company will issue a private placement offer letter (hereinafter referred to as the “**Private Placement Offer Cum Application Letter**”) prepared as per Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014;
- C. The Company being duly empowered by its memorandum of association and articles of association, shall issue and allot the Debentures, pursuant to the authority granted by the resolution of the shareholders of the Company in the annual general meeting held on February 13, 2020 and the resolutions of the Board of Directors of the Company passed at its meeting held on February 11, 2020 and August 20, 2020 read with the resolution of the borrowing committee of the Company passed at its meeting held on March 15, 2021, to the party detailed in the **Schedule I** hereto, who shall subscribe, in the aggregate, up to 1080 (One Thousand and Eighty) Debentures;
- D. The Debentures shall not be listed on any stock exchange;

- E. The Debentures shall be issued in dematerialised form and are subject to the provisions of the Depositories Act, 1996 and rules notified by the Central Depository Services Limited ("CDSL") and National Securities Depository Limited ("NSDL") from time to time. Therefore, the Company has entered into/will enter into an agreement with CDSL and NSDL for issuing the Debentures in a dematerialised form. Please also refer to **Schedule XII** hereto for provisions related to Depositories;
- F. The Debenture Trustee is registered with the Securities Exchange Board of India as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and pursuant to the consent letter dated February 26, 2021 bearing reference number CL/MUM/20-21/DEB/1042 addressed by the Debenture Trustee which has been accepted by the Company, the Debenture Trustee has agreed to act as the trustee in trust of, on behalf of, and for the benefit of the Debenture Holder(s) (as defined hereinafter) from time to time, and each of their successors and assigns;
- G. The Debenture Trustee and the Company have entered into a Trustee Agreement (as defined hereinafter) whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as the debenture trustee for the benefit of the Debenture Holder(s) and for purposes related thereto, including for holding the security to be created by the Company in favour of the Debenture Trustee to secure the payment and other obligations of the Company in respect of the issuance of the Debentures, for the benefit of the Debenture Holder(s);
- H. One of the terms of the issue of the Debentures is that the Secured Obligations (as defined herein after) will be *inter alia* secured by way of (i) a first ranking exclusive charge over the Secured Property (as defined hereinafter) and a (ii) a Guarantee (as defined hereinafter) provided by the Guarantor (as defined hereinafter);
- I. Pursuant to the above and pursuant to the authority granted by the resolution of the Board of Directors of the Guarantor passed at its meeting held on February 11, 2020 read with the resolution of the management committee of the Guarantor passed at its meeting held on March 15, 2021, the Guarantor has executed the Deed of Guarantee (as hereinafter defined), in favour of the Debenture Trustee, on or about the date hereof;
- J. The Debenture Trustee has called upon the Company to execute a deed being these presents with a view to record the various terms, conditions and stipulations as well as the Company's and the Debenture Trustee's obligations in respect of the Debentures including the terms and conditions of the appointment of the Debenture Trustee, redemption of the Debentures, outstanding remuneration of the Debenture Trustee and all costs, charges, expenses and other monies payable in accordance with the terms of the issue of the Debentures and creation of Security, and the Company has agreed to do so in the manner agreed by the Debenture Trustee, as hereinafter provided.

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

1. PART A: STANDARD TERMS

1.1. APPOINTMENT OF DEBENTURE TRUSTEE

1.1.1. Settlement of Trust

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

Holder(s) have agreed to subscribe to the Debentures *inter alia* on this basis. The Debenture Trustee in such capacity as a trustee agrees:

- (a) to execute and deliver all documents, agreements, instruments and certificates contemplated by this Deed to be executed and delivered by the Debenture Trustee or as the Debenture Trustee shall deem advisable and in the best interest of the Debenture Holder(s);
- (b) to take whatever action shall be required to be taken by the Debenture Trustee under the terms and provisions of this Deed, to exercise its rights and perform its duties and obligations under such documents;
- (c) to exercise its rights and perform its duties and obligations under this Deed and the other Transaction Documents; and
- (d) subject to the terms and provisions of this Deed and other Transaction Documents, to take such other action in connection with the foregoing as the Debenture Holder(s) may from time to time direct.

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

1.1.2. Acceptance of Trust and Liability

- (a) The Debenture Trustee accepts the trust hereby created and agrees to perform its obligations as per the terms and provisions of the Transaction Documents.
- (b) The Debenture Trustee hereby declares that in relation to the Debenture Holder(s), it shall hold:
 - (i) the initial contribution;
 - (ii) the Security;
 - (iii) all the rights under or pursuant to this Deed and all sums received by it under this Deed (save for any sums received solely for its own account);
 - (iv) all monies received by it out of, whether prior to or as a result of enforcement of the Security created hereunder or the other Transaction Documents or the exercise of rights and remedies under this Deed, upon trust, for and on behalf of and for the benefit of the Debenture Holder(s) and subject to the powers and provisions declared and contained in the Transaction Documents and concerning the same, for due payment and discharge of the Secured Obligations of the Company under the Transaction Documents.
- (c) The Debenture Trustee shall be answerable and accountable to the Debenture Holder(s) for any loss in relation to the Security or any part thereof or any rights in respect thereto only under circumstances arising out of its misconduct, default, negligence, fraud, breach of and/ or a failure to comply with the terms and conditions of the Transaction Documents or any other agreement by which the Debenture Trustee may be bound or express instructions of the Debenture Holder(s) or any of their representatives, agents, nominees or officers.

1.1.3. Resignation

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

1.1.4. Removal

- (a) The Majority Debenture Holder(s) may, after giving not less than 21 (Twenty One) Business Days' notice in writing to the Company, remove the Debenture Trustee if so approved by at least 75% (Seventy Five Percent) in value of the Debenture Holder(s) and nominate an entity competent to act as their trustee and require the Company to appoint such entity as the Successor Trustee. The Company shall within 15 (Fifteen) Business Days of receipt of such decision approved by the Majority Debenture Holder(s) take all the necessary steps to appoint the entity so nominated as the Successor Trustee and complete all necessary formalities to give effect to such appointment; provided that the Debenture Trustee shall continue to act as Debenture Trustee until the Successor Trustee is appointed by the Company.
- (b) Any fees that may have been paid to the Debenture Trustee shall be paid over by the Debenture Trustee to the Successor Trustee on a pro-rata basis.
- (c) Without prejudice to anything stated in sub-clause (a) above, the Company may, after obtaining the prior written approval of the Majority Debenture Holder(s), remove the Debenture Trustee, by issuance of a written notice in this regard; provided that the Debenture Trustee shall continue to act as Debenture Trustee until the Successor Trustee is appointed by the Company.

1.1.5. Successor Trustee as the Debenture Trustee

Upon the appointment of the Successor Trustee pursuant to the preceding Clauses 1.1.3 or 1.1.4 above, all references in this Deed to the Debenture Trustee shall, unless repugnant to the context, mean and refer to the Successor Trustee and the Successor Trustee shall, without any further act or deed, succeed to all the powers and authorities of the Debenture Trustee as if it had been originally appointed as the debenture trustee.

1.1.6. Handover

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

1.1.7. Debenture Trustee Remuneration

The remuneration of the Debenture Trustee shall be as per the terms of the Debenture Trustee Consent Letter. The Company shall pay to the Debenture Trustee all legal, traveling and other costs, charges and expenses incurred by them, their officers, employees, agents in connection with execution of these presents including costs, charges and expenses of and incidental to the approval and execution of these presents and all other documents affecting the Debentures and the obligations to be created herein and will indemnify them against all actions, proceedings, costs, charges, expenses, claims and demands whatsoever which may be brought or made against or incurred by them in respect of any matter or thing done or omitted to be done without their wilful default in respect of the Debentures.

1.1.8. Power and Right of Debenture Trustee to Inspect

The Debenture Trustee or its authorized representatives may carry out inspections of the Company's office records, registers and books of accounts and take copies and extracts thereof, to the extent such inspection is necessary for exercising any of the powers or discharging any of the duties of the Debenture Trustee under this Deed. The cost of inspection, including travelling and other related expenses shall be borne and paid by the Company.

1.2. AMOUNT OF DEBENTURES AND COVENANT TO MAKE PAYMENTS

1.2.1 Form, Amount and Allotment of Debentures

- (a) The Debentures constituted and proposed to be issued are 1080 (One Thousand and Eighty) Debentures each having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only), of the aggregate nominal value of Rs 108,00,00,000/- (Rupees One Hundred and Eight Crores only) ("**Debentures Subscription Amount**").
- (b) The Debentures will be deemed to be allotted to the Debenture Holder(s) on the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the Debenture Holder(s) from the Deemed Date of Allotment. In the event the Company fails to allot the Debentures to the Applicants within 60 (sixty) days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) days from the expiry of the Allotment Period ("**Application Money Repayment Period**"). In the event the Company fails to repay the Application Money within the Application Money Repayment Period, then the Company shall be liable to repay the Application Money along with interest at the higher of (a) the Coupon Rate, or (b) 12% (twelve percent) per annum, from the expiry of the Allotment Period.
- (c) The Company covenants with the Debenture Trustee that it shall make all Payments in relation to the Debentures to the Debenture Holder(s) as stipulated and in accordance with this Deed (and in the event that this Deed does not provide for the same, as per the instructions of the Debenture Trustee). The Company shall make / release all Payments due by the Company in terms of the Transaction Documents to the Debenture Holder(s) in proportion to the amounts owed to them. On such payment being made by the Company, the Company will inform the Depository and accordingly the respective beneficial owner accounts of the Debenture Holder(s) will be adjusted. The Company's liability to the Debenture Holder(s) in respect of all their rights in respect of the Debentures, including for payment of Default Interest or otherwise shall cease and stand extinguished on the Final Settlement Date in accordance with the terms of this Deed. The Company shall inform the Debenture Trustee whenever any payment to the Debenture Holder(s) is made towards the Redemption Amount outstanding on the Debentures and any Coupon accrued thereon, including Default Interest (if any).

1.2.2 Conditions Precedent

- (a) The subscription to the Debentures by the Debenture Holder(s) shall be subject to and conditional upon the fulfilment of the conditions precedent as set out in **Schedule II** hereto ("**Conditions Precedent**"), to the full satisfaction of the Debenture Holder(s) prior to the date of execution of the Transaction Documents, unless specifically waived in writing by the Debenture Trustee/ Initial Debenture Holder or the time for complying the

same is extended by the Debenture Trustee/ Initial Debenture Holder. It is hereby clarified that nothing in this Deed shall be construed as compelling the Debenture Trustee to waive any condition and the right of waiver shall be a right available to the Debenture Trustee that may be exercised by it in its sole discretion.

- (b) On the fulfilment of all the Conditions Precedent, the Company shall deliver to the Debenture Trustee and the Initial Debenture Holder, a certificate in the form and content annexed hereto and marked as **Schedule III** hereto ("**CP Compliance Certificate**"), signed by the authorized signatory of the Company, to the effect that (a) all the Conditions Precedent which are required to be complied with by the Company have been fully satisfied; (b) no Material Adverse Effect has taken place or is expected to take place; and (c) the representations and warranties set forth in the Deed and the other Transaction Documents are true, complete, correct and accurate and not misleading in any way as on the Effective Date and the Deemed Date of Allotment, together with the documentary evidence of such fulfilment, such evidence to be to the satisfaction of the Debenture Trustee. It is clarified that the submission to the Debenture Trustee of the CP Compliance Certificate, as provided for in this Clause 1.2.2 will not in any way relieve the Company from their liability arising from the same.
- (c) Where the Company fails to fulfil the Conditions Precedent in the opinion of the Debenture Holder(s) or the Company fails to submit the CP Compliance Certificate to the Debenture Trustee, in the manner as set out hereinabove on or before the Effective Date, (I) the Debenture Trustee may, on the consent of the Majority Debenture Holder(s), waive or extend time for completion of any of the Conditions Precedent and proceed with the subscription to the Debentures notwithstanding any Conditions Precedent being pending; or (II) terminate or terminate the execution of this Deed forthwith without requiring any further act from either Party and without recourse to each other. It is, however, clarified that none of the Conditions Precedent shall be deemed to be waived or time extended unless so agreed by the Debenture Trustee in writing. It is clarified that in the event the Debenture Trustee waives any of the unfulfilled Conditions Precedent, the same shall be deferred as a Condition Subsequent as directed by the Debenture Trustee and the Company undertakes to fulfil the same in accordance with this Deed.

1.2.3 Purpose

The monies raised through the issue of the Debentures shall be used for the Purpose as set out in Part B of this Deed.

1.2.4 Issue of the Debentures

- (a) The Company shall comply with the applicable provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any successor regulation thereto in force from time to time; and the applicable RBI circulars and directions (including the RBI Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019), in relation to issuance of the Debentures.
- (b) For issuance of the Debentures in dematerialised form, the Company has made necessary arrangements with the Depository. The Debenture Holder(s) will hold the Debentures in dematerialised form and deal with the same as per the provisions of the Depositories Act, 1996 and bye-laws, rules and regulations notified by the Depository from time to time.
- (c) As the Debentures are issued in a dematerialized form, which are subject to the provisions of the Depositories Act, 1996 and the rules notified by Depository from time to time, the Company and the Debenture Holder(s) shall observe and follow the procedure laid down by the Depository when dealing with the Debentures.

1.2.5 Conditions Subsequent

- (a) The Company shall be obliged to undertake the Conditions Subsequent as set out in **Schedule II** hereto ("**Conditions Subsequent**"), to the satisfaction of the Debenture Trustee.
- (b) If any of the Conditions Subsequent are not fulfilled or satisfied within the time period specified for each of such conditions, the Debenture Trustee shall be either entitled, at its option to (i) extend the time limit to perform such Condition Subsequent; or (ii) treat the failure to fulfil the Conditions Subsequent, as an Event of Default and the consequences as set out in Clause 1.8.2 and Clause 2.5.2 shall follow.

1.2.6 Listing of the Debentures

The Debentures will not be listed on any stock exchange.

1.2.7 Rating of the Debentures

The Debentures shall be unrated.

1.2.8 Ranking of Debenture Holder(s)

- (a) The Parties acknowledge that each of the Debenture Holder(s) shall rank *pari passu* inter se in relation to their rights and benefits in relation to the Debentures, without any preference or priority whatsoever.
- (b) Any Payments received from the Company or realized by the Debenture Trustee upon enforcement of the Security, shall be distributed to each Debenture Holder in proportions to the amounts outstanding to each Debenture Holder without any preference or priority whatsoever.

1.2.9 Redemption / Repayment

(a) Due Dates and Amounts

The principal amount in respect of the Debentures shall be repaid by the Company in 3 (Three) instalments each, which shall be payable in the following manner:

- (i) Rs. 27,00,00,000/- (Indian Rupees Twenty Seven Crores Only) on the First Redemption Date;
- (ii) Rs. 27,00,00,000/- (Indian Rupees Twenty Seven Crores Only) on the Second Redemption Date;
- (iii) Rs. 54,00,00,000/- (Indian Rupees Fifty Four Crores Only) on the Final Redemption Date;

The above is further provided in **Schedule IX** to this Deed. Each instalment to be paid on the First Redemption Date, the Second Redemption Date and the Final Redemption Date, respectively, is referred to as a "**Redemption Amount**".

(b) Payments

Payment of the Redemption Amount and Coupon will be made on the respective Due Dates to the Debenture Holder(s) as on the Record Date and in case of joint holders of Debentures, to the one whose name stands first in the Register of Debenture Holder(s). Such payments shall be made by cheque or warrant/ demand draft/ credit through the NEFT/RTGS system.

(c) No Early Payments

- (i) On any Coupon Payment Date occurring on the expiry of 36 (thirty six) months from the Deemed Date of Allotment (and not on any other date) prior to the Final Redemption Date, the Company may redeem the Debentures, subject to:
- A. this Clause 1.2.9(c);
 - B. Applicable Law (including any approval from the RBI or any other Governmental Authority);
 - C. the consent of the Majority Debenture Holders being obtained by the Company, through the Debenture Trustee at least 25 (twenty five) Business Days prior to such Coupon Payment Date;
 - D. compliance with Clause 1.2.9(c)(iv) and 1.2.9(v); and
 - E. any premature redemption pursuant to this sub-Paragraph (i) not being for an amount less than the Rs. 17,50,00,000/- (Rupees Seventeen Crores and Fifty Lakhs only) or any whole multiple of Rs. 7,50,00,000/- (Rupees Seven Crores and Fifty Lakhs only) in excess thereof.

(ii) Unlawfulness and other events

The Company shall mandatorily prepay/ cause an early redemption of the Debentures in full, upon the occurrence of the following events:

- A. If it is or becomes unlawful for the Company and/or the Guarantor to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company and/or the Guarantor under any Transaction Document are not or cease to be valid, binding or enforceable or any Transaction Document becomes void, or ceases to be valid, binding or enforceable.
- B. If any regulatory or statutory approval, permit, license or other certificate required by the Company and/or the Guarantor under Applicable Law, is suspended, withdrawn, not granted or not renewed.
- C. If it becomes unlawful in any applicable jurisdiction for a Debenture Holder to fund, maintain or hold the Debentures.
- D. If the Debenture Trustee (acting in accordance with the consent of the Majority Debenture Holder(s)), is of the opinion that an event or circumstance has occurred, including any event concerning deterioration in the political or economic situation generally in the Republic of India, or an act of war or hostilities, invasion, armed conflict or act of foreign enemy, revolution, insurrection, insurgency or threat thereof occurs in or involving the Republic of India, that has, or is likely to have a Material Adverse Effect.

Upon occurrence of any of the aforesaid events as enlisted in Clause 1.2.9(c)(ii)A to 1.2.9(c)(ii)D above, the Company shall mandatorily redeem all the Debentures, within the time period as notified by the Debenture Trustee (acting on the instructions of the Debenture Holder(s)) to the Company, by making payment of all the Payments outstanding in respect of the Debentures, which are or will be due and payable to the Debenture Trustee in accordance with the Transaction Documents.

- (iii) Any notice to the Debenture Trustee of premature redemption given by the Company under this Paragraph 1.2.9(c), to which the Majority Debenture Holders have accorded their consent as above,

will be irrevocable. Any amounts paid pursuant to this Paragraph 1.2.9(c) shall not be re-borrowed by the Company.

- (iv) The Company shall, within 5 (five) days of demand, indemnify the Debenture Holders against any cost, loss or liability (including any termination, close out or other costs of any nature whatsoever under or in connection with the Currency Hedging Arrangement) incurred by the Debenture Holders as a result of:
 - A. the occurrence of any Event of Default including, without limitation, any such cost, loss or liability incurred by the Debenture Holders if, following the occurrence of an Event of Default, the Debenture Holders elect (which election shall be in their sole discretion) to terminate or close out all or any part of any Currency Hedging Arrangements;
 - B. a failure by the Company to pay any amount due under a Transaction Document on the relevant Due Date;
 - C. any cancellation or prepayment (including, without limitation, voluntary and mandatory prepayments not made in accordance with the provisions of this Deed) and any early repayment (including, without limitation, after acceleration) by the Company; or
 - D. any prepayment not being prepaid in accordance with a notice of prepayment given by the Company or Debenture Holders.
- (v) Without prejudice to, and in addition to, Clause 2.14 or any other provision of this Deed, any cancellation or prepayment pursuant to this Deed (including without limitation, pursuant to this Clause 1.2.9(c)), shall be made together with:
 - A. payment of a prepayment premium at the rate of 2% (two percent) of the aggregate outstanding amounts of the Debentures being prepaid (otherwise than due to Unlawfulness and other events as stipulated in Clause 1.2.9(c)(ii) herein above);
 - B. Redeployment Costs;
 - C. accrued Coupon on the amount prepaid (in the case of a prepayment) and any other outstanding fees or costs; and
 - D. an amount equal to any outstanding fees or cost, loss or liability incurred (including any termination, close out, unwinding or other costs of any nature whatsoever) under or in connection with the Currency Hedging Arrangement.
- (vi) The Company will not redeem all or any part of the Debentures except at the times and in the manner expressly provided for in this Deed.

1.2.10 Interest

(a) Interest on Application Money

The Company shall be liable to pay the Debenture Holder(s) interest on application money at the Coupon Rate per annum for the period commencing from the date on which the Debenture Holder(s) have made payment of the application monies in respect of the Debentures to the Company and ending on the Deemed Date of Allotment. The interest on application monies shall be paid by the Company to the Debenture Holder(s) within 7 (Seven) Business Days from the Deemed Date of Allotment.

(b) **Coupon Rate**

Coupon shall be payable at the rate of 13.24% (Thirteen Decimal Point Two Four Percent) per annum payable semi-annually, until the Maturity Date.

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

Coupon shall be payable semi-annually from the Deemed Date of Allotment on March 24 and September 24 of every calendar year (starting from September 24, 2021) until the Maturity Date with the final Coupon Payment Date being the Maturity Date.

This is further provided in **Schedule IX** to this Deed.

(d) **Computation of Coupon and Other Charges**

Coupon and all other charges shall accrue based on actual/actual day count convention.

(e) **Payment of Coupon**

Subject to Clause 1.10.11 (*Tax Gross-Up and Indemnity*), Coupon will be paid to the Debenture Holder(s) after a Tax Deduction (where applicable) at the rate prescribed from time to time under the Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time-being in force.

1.2.11 Default Interest

- (a) Any payment obligations due on the Debentures including any Coupon and/ or principal amounts and/ or any other payment to be made by the Company in connection with the Debentures shall, in case the same be not paid on the respective Due Dates, carry further default interest of 2% (Two Percent) per annum over and above the Coupon Rate computed on the entire unpaid amounts, for the period commencing from the respective Due Dates for such amounts and expiring on the date on which such payment is actually made ("**Default Interest**"). It is hereby clarified that the charging of Default Interest would be without prejudice to and shall have no effect on all or any rights available to the Debenture Trustee to (a) call an Event of Default as per the terms of the Transaction Documents; and (b) take any enforcement action in respect of the Security including but not limited to, by way of invocation of the Guarantee.
- (b) If not already executed, the Company shall execute this Deed within 3 (Three) months from the closure of the issue of the Debentures, failing which the Company shall pay interest of at least 2% (Two Percent) per annum to the Debenture Holder(s), without prejudice to any liability arising on account of violation of the provisions of any Applicable Law, over and above the Coupon Rate on the Debentures, till the execution of this Deed.
- (c) The Company acknowledges that any sums, interest, default amounts including but not limited to the Default Interest, are reasonable and that they represent genuine pre-estimates of the loss incurred by the Debenture Holder(s) in the event of non-performance by the Company.
- (d) The Company acknowledges that the Debentures provided under this Deed are for a commercial transaction and waives any defenses available under usury, money lending or other laws relating to the charging of interest.

1.2.12 Avoidance of Payments

Notwithstanding that the Company or any other Person may have paid all amounts in respect of the obligations of the Company under the Transaction Documents and/ or any discharge, release or settlement, from time to time, thereunder, if any Security, disposition or payment granted or made to the Debenture Trustee / Debenture Holder(s) by the Company or any other Person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any Applicable Law relating to bankruptcy, insolvency, liquidation, winding-up, industrial sickness, composition or arrangement for the time being or from time to time in force or for any other reason, then, the amount so avoided, set aside, ordered to be surrendered, paid away, refunded, reduced or shared shall not be considered to have been paid and the Debenture Trustee shall be entitled thereafter to enforce the Security or any part thereof as if no such discharge, release or settlement had occurred.

1.2.13 **Business Day Convention**

If the date for performance of any event, determination of any period or the Due Date for any Payment is not a Business Day, the performance of that event, the last day for determination of that period or the Due Date for such Payment shall be on the next Business Day in that calendar month in which such a date falls, if there is one, or if there is not, on the immediately preceding Business Day. If there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month. In the case of determination of any period, the above rules will only apply to the last month of such period.

1.2.14 **Payments**

- (a) The Company shall make all Payments due by the Company in terms of the Transaction Documents in accordance with the terms of this Deed. Without prejudice to the foregoing:
 - (i) All Payments to the Initial Debenture Holder shall be made in accordance with the provisions of the Transaction Documents, to the accounts specified in **Part A of Schedule XIII** to this Deed or such other accounts as may be specified by the Initial Debenture Holder to the Company and the Debenture Trustee;
 - (ii) All Payments by the Company shall be made in accordance with the provisions of the Transaction Documents, from the account specified in **Part B of Schedule XIII** of this Deed;
 - (iii) Any payments to the Company, shall be made in accordance with the provisions of the Transaction Documents, from the account specified in **Part B of Schedule XIII** of this Deed;

(The accounts mentioned in sub-Clauses (ii) and (iii) above are collectively referred to as the “**Company Accounts**”).

- (b) The Company will provide such evidence as may be required by the Debenture Holders, in a form and manner satisfactory to the Debenture Holders, to establish and verify that the Company is the legal and beneficial owner of the Company Accounts.
- (c) Any payments required to be made to Debenture Holder(s) by the Company under the terms of the Transaction Documents, including any payments of principal and Coupon, shall be made by the Company using electronic clearing service (“**ECS**”), real time gross settlement (“**RTGS**”), direct credit or national electronic funds transfer (“**NEFT**”). Provided however that where direct credit, ECS, RTGS, or NEFT service is not available, such payment shall be made by the Company by any mode as permissible under Applicable Law.
- (d) The Company hereby further agrees and undertakes that it shall also inform the Debenture Trustee and the Debenture Holder(s) of any change in the Company Accounts within 3 (Three) Business Days of such change.

- (e) Following any Payment by the Company, the Company will deliver to the Initial Debenture Holder evidence, promptly and in no case later than 1(One) Business Day of making of the Payment, in a form and manner satisfactory to the Initial Debenture Holder, to establish and verify that the Payment was made, in the form of a screenshot of the Payment containing the Company's name, account number, amount, UTR and the value date, and such other details as may be required by the Initial Debenture Holder. Notwithstanding Clause 1.10.2, all evidence to be provided by the Company in accordance with this clause shall be delivered to M.FI@fmo.nl.
- (f) Without prejudice to the obligations of the Guarantor as provided for in the Deed of Guarantee, it is agreed and understood by the Parties hereto, that the Guarantor shall, without any demur, delay or protest and on first demand being made by the Debenture Trustee (acting on the instructions of the Debenture Holder(s)), make the relevant Payments into the relevant accounts as will be mentioned in such notice of demand and generally discharge the Secured Obligations or any part thereof and/ or fulfil any obligations, on demand, from time to time, being made by the Debenture Trustee (acting on the instructions of the Debenture Holder(s)), and within such timelines, as more particularly set out in the Deed of Guarantee.

1.3. PROVISIONS APPLICABLE TO DEBENTURE HOLDER(S)

1.3.1. *Receipt of Debenture Holder*

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

1.3.2. *Discharge of the Liability of the Company in Relation to the Debentures*

Payments made in accordance with Clause 1.2.14 above, shall be considered a legal discharge of the liability of the Company towards the Debenture Holder(s). On such payment being received by the Debenture Holders and upon the receipt of such confirmation from the Debenture Holders by the Company, the Company will inform the Depository(ies) and accordingly, the account of the Debenture Holder(s) with the Depository(ies) will be adjusted. The Company's liability to the Debenture Holder(s) in respect of all their rights including for Payments or otherwise shall cease and stand extinguished upon the payment by the Company of the full Redemption Amount and any amounts that have accrued thereon up to the Final Settlement Date, including Default Interest (if any), by the Company.

1.3.3. *Trusts of Debentures not Recognised*

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

1.3.4. *Debentures Free From Equities*

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

1.3.5. *Register of Debenture Holder(s)*

The Company shall, as required by the Act, maintain a Register of the Debenture Holder(s) including addresses of the Debenture Holder(s), record of subsequent transfers and changes of ownership. The Debenture Trustee and/or the Debenture Holder(s) or any of them or any other person shall, as provided in the Act, be entitled to inspect the said Register of Debenture Holder(s) and to take copies of or extracts from the same or any part thereof during usual business hours.

1.3.6. *Set-Off by Debenture Holder(s)*

The Debenture Holder(s) may, but shall not be obliged to, set off any matured obligation due from the Company under the Transaction Documents and which has not been paid on the relevant Due Dates against any obligation owed by the Debenture Holder(s) to the Company (whether or not matured), regardless of the place of payment, booking branch or currency of either obligation.

1.3.7. *Transfer of Debentures*

The Debentures shall be freely transferable and transmittable by the Debenture Holder(s) in whole or in part without the prior consent of the Company. All rights available to the Debenture Holder(s) in terms of the Transaction Documents shall, without the need for any further deed or action, be available to any transferee of the Debenture Holder(s).

1.3.8. *Variation of Debenture Holder(s)' Rights*

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

1.3.9. *Failure to Surrender the Debentures*

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

1.3.10. *Meetings of Debenture Holder(s)*

In the event that any meeting of the Debenture Holder(s) is to be held, the provisions set out in **Schedule IV** hereto shall be followed with respect to such meeting.

1.3.11. *Debenture Holder not entitled to shareholders' rights*

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

1.3.12. *Payment Instructions to the Debenture Holder*

The Application Form for the Debentures should be submitted directly to the Company. The entire amount of Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture is payable along with the making of an Application. The Debenture Holder(s) shall make pay-in of funds towards the allocation to be made to them, in the bank account of the Company as specified in **Part B of Schedule XIII** to this Deed.

1.4. SECURITY

1.4.1. Security

The security to be provided by the Company as security for the discharge of the Secured Obligations shall consist of:

- (a) a first ranking, exclusive and continuing charge created by way of hypothecation over the Secured Property, both present and future, in favour of the Debenture Trustee, under or pursuant to the Deed of Hypothecation; and
- (b) an unconditional and irrevocable Guarantee issued by the Guarantor, in favour of the Debenture Trustee in accordance with the terms and conditions as more particularly set out in the Deed of Guarantee. In case of part enforcement of the Guarantee at any time during the tenure of the Debentures, the Guarantee shall be replenished by the Guarantor to the extent of the outstanding amounts of the Secured Obligations

(collectively referred to as the “**Security**”).

1.4.2. Hypothecation

- (a) The Company shall execute a deed of hypothecation (“**Deed of Hypothecation**”), simultaneously with the execution of this Deed, in terms of which the Company shall create a first and exclusive charge over the assets set out in Clause 1.4.1(a) above, in favour of the Debenture Trustee, to secure its obligations in relation to the Debentures.
- (b) The Company shall perfect the hypothecation over the Secured Property within 30 (Thirty) calendar days from the Deemed Date of Allotment.

1.4.3. Deed of Guarantee

The Company shall execute the Deed of Guarantee simultaneously with the execution of this Deed in favour of the Debenture Trustee, to secure its obligations in relation to the Debentures.

1.4.4. Continuing Nature of Security

All the Security, except as otherwise provided in the Transaction Documents, is continuing security and shall remain in full force and effect until the Final Settlement Date.

1.4.5. First Recourse Enforcement

The Security or any part thereof may be enforced in accordance with the terms of this Deed without the Debenture Trustee first 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, or 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.

1.4.6. Other Security

The security or any part thereof, shall neither be merged in, nor in any way be excluded or prejudiced, or be affected by any other security interest, right of recourse or other right whatsoever (or the invalidity thereof) which the Debenture Trustee may now or at any time hereafter hold or have (or would apart from this security hold or have) as regards the Company, or any other Person, in respect of the Secured Obligations.

1.5. DEBENTURE REDEMPTION RESERVE

At present, under Applicable Law, a Debenture Redemption Reserve is not required to be created for the issue of privately placed debentures by non-banking financial companies registered with the RBI. Since the Company is a non-banking financial company registered with RBI, no Debenture Redemption Reserve is being created in respect of the Debentures. However, if a Debenture Redemption Reserve is required to be created in the future, pursuant to any change in Applicable Law, the Company covenants to comply with the same.

1.6. REPRESENTATIONS AND WARRANTIES

1.6.1. *Representations and Warranties of the Company*

The Company hereby, in addition to the representation and warranties made by the Company as set out in Clause 2.3 below, makes the following representations and warranties to the Debenture Trustee and the Debenture Holder(s), and the Company acknowledges that each of the Debenture Holder(s) have subscribed to the Debentures in reliance *inter alia* on the representations of the Company set out herein.

(a) Status, Authority and Capacity of Company

- (i) The Company is duly incorporated, registered and validly existing under the Applicable Law of India.
- (ii) The Company has the corporate power, authority and all material permits, approvals, authorizations, licenses, registrations, and consents including registrations, to own and operate its assets and to carry on its business in substantially the same manner as it is currently conducted.
- (iii) The Company represents that all consents, and actions of, filings with and notices to any Governmental Authority as may be required to be obtained by the Company in connection with the Issue has been obtained and is in full force and effect.

(b) Validity and Admissibility in Evidence

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

- (i) to enable the Company to lawfully enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;
- (ii) to make the Transaction Documents to which the Company is a party, admissible in evidence in its jurisdiction of incorporation; and
- (iii) for it to carry on its business, and which are material to the Issue,

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

(c) Governing Law and Enforcement

The Company's:

- (i) irrevocable submission to the jurisdiction of courts as specified in Clause 1.10.7; and
- (ii) agreement that the Transaction Documents are governed by Indian law,

are legal, valid and binding on the Company and enforceable against the Company under Indian law.

(d) Nature of Representations and Warranties

The Company hereby expressly represents and warrants that each of the representations and warranties set out in this Deed (including the 'Additional Representations and Warranties' set out Clause 2.3 of Part B of this Deed) is true and accurate as on the Effective Date and shall continue to be true and accurate on each day (including the Deemed Date of Allotment) until the Final Settlement Date, and nothing contained in the said representations and warranties is / will be misleading or designed to create an inaccurate, incomplete or false picture as on the Effective Date.

1.6.2. Representations and Warranties of the Debenture Trustee

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

- (a) The Debenture Trustee is a company duly incorporated and validly existing under Applicable Law and the Debenture Trustee is duly qualified and authorised to enter into the Transaction Documents.
- (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 law to which the Debenture Trustee is subject; or
 - (ii) any order, judgment or decree applicable to the Debenture Trustee; or
 - (iii) any term, condition, covenant, undertaking, agreement or other instrument to which the Debenture Trustee is a party or by which the Debenture Trustee is bound.
- (d) The Debenture Trustee is in a position to observe, comply with and carry out all its obligations hereunder to be performed and complied with by it.
- (e) The Debenture Trustee is registered as a debenture trustee with the Securities and Exchange Board of India under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
- (f) The Debenture Trustee has not been barred from being appointed as the Debenture Trustee for this Issue in terms of Section 13A of the Debenture Trustees Regulations.
- (g) The Debenture Trustee shall not have, claim or exercise any right of deduction, lien or set-off on, over or in respect of any of the amounts, writings or things held by it or continued to be held by it or coming within its power or possession pursuant to or in connection with these presents.
- (h) All information set forth in this Deed, and all information furnished and/or to be furnished by the Debenture Trustee to the Debenture Holder/s is true and correct and was/is not misleading whether by reason of omission to state a material fact or otherwise.

1.7. COVENANTS AND UNDERTAKINGS

1.7.1. *Information Covenants*

- (a) The Company hereby, in addition to the information covenants set out in Clause 2.4.1 herein, undertakes to:
 - (i) submit a quarterly report to the Debenture Trustee containing the following particulars:
 - a) Updated list of names and address of all Debenture Holder(s);
 - b) Details of principal amount and Coupon which have been paid by the Company up to the last Due Date, if any;
 - c) Details of interest due but unpaid and reasons for the same and timely and accurate payment of the interest on the Debentures;
 - d) The number and nature of grievances received from the Debenture Holder(s) and (1) resolved by the Company and (2) unresolved by the Company and the reasons for the same;
 - (ii) submit to the Debenture Trustee:
 - a) a copy of the statutory auditors' report and directors' annual report, balance sheet and profit & loss account and of all periodical and special reports at the same time as they are issued;
 - b) its duly audited annual accounts, within 90 (Ninety) days from the close of its accounting year;
 - c) at the end of each Financial Year, a copy of certificate from the Company's statutory auditor in respect of utilisation of funds raised through the issue of Debentures;
 - d) 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;
 - e) periodical status/ performance reports within 7 (Seven) days of the relevant board meeting or within 45 (Forty Five) days of the respective quarter whichever is earlier;
 - f) a copy of all notices, resolutions and circulars relating to:
 - i. new issue of non-convertible debt securities at the same time as they are sent to shareholders/ holders of non-convertible debt securities;
 - ii. 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;
 - g) till the Final Settlement Date, its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as statement of profit and loss, balance sheet and cash flow statement and audited qualifications, if any, not later than 15 (Fifteen) days from the date of publication;
 - h) a certificate from the statutory auditor of the Company on a half-yearly basis, regarding maintenance of minimum Asset Cover and compliance with the covenants set out in this Deed,

along with the half-yearly financial results, provided that the submission of half yearly certificate is not applicable where bonds are secured by a government guarantee;

- i) till the Final Settlement Date, the annual audited financial statements of the Guarantor;
 - j) such other disclosures as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Applicable Laws;
 - k) any and all information required under any Applicable Law at all times, during the currency of Debentures as may be called upon by the Debenture Trustee, no later than 7 (Seven) Business Days of the receipt of such request.
- (iii) forward/ intimate the following to the Debenture Trustee promptly upon the occurrence of such event:
- a) any revision in the rating (if any) assigned to the Debentures;
 - b) any default in timely payment of interest or redemption amounts or both in respect of the Debentures;
 - c) failure to create the Security;
 - d) notice of the occurrence of any event or circumstance that might reasonably be expected to result in a Material Adverse Effect;
 - e) any change in its name or any significant change in the composition of its board of directors;
 - f) any merger, consolidation, reorganisation scheme or arrangement or compromise with its creditors or shareholders or any scheme of amalgamation or reconstruction having been effected;
 - g) any legal proceeding pending or threatened, investigation, regulatory notices or judicial orders against the Company, or any dispute between the Company and/or any Governmental Authority, which could result in a Material Adverse Effect or affecting the Secured Property;
 - h) such information as the Debenture Trustee and/or the Debenture Holder(s) shall require, as to all matters relating to the business, property and affairs of the Company and/or the Guarantor, that materially impact the interests of the Debenture Holder(s). Notwithstanding the aforesaid, if a request is made by the Debenture Trustee/ Debenture Holder(s), the Company shall be required to furnish all the relevant details to the Debenture Trustee, within 7 (Seven) Business Days of the receipt of such request.
- (b) Within 15 Business Days of creation of Charge in accordance with this Deed and along with every Monthly Secured Property Report to be submitted by the Company, the Company shall furnish a statement, signed by an authorized signatory of the Company a certificate, certifying:
- (i) the value of the book debts/receivables under the Secured Property;
 - (ii) compliance with the covenants set out in this Deed and the Deed of Hypothecation;

- (iii) that the Company is maintaining the Asset Cover in accordance with the provisions of this Deed and the Deed of Hypothecation;
- (iv) that those assets of the Company which are available by way of Security are sufficient to discharge the claims of the Debenture Holder(s) as and when they become due;
- (v) that the cash flows of the company are adequate for payment of the Coupons and for redemption of the principal amount, in relation to the Debentures, which payments are falling due on the next Due Date;
- (vi) that the Receivables constituting the Secured Property have not been charged or hypothecated in favour of any other party except the Debenture Trustee and that they are free from any encumbrances; and
- (vii) that the Receivables comprising the Secured Property are 'standard assets' as defined under the applicable Reserve Bank of India regulations in the books of the Company.

(hereinafter referred to as the "**Secured Property Certificate**").

Provided that (in addition to the certification from the authorised signatory) the Company shall get the Secured Property Certificate certified from a reputed independent chartered accountant (having an experience of more than 10 (Ten) years) (on quarterly basis) and submit the same to the Debenture Trustee along with the documents for the Quarterly Security Perfection.

- (c) The Company shall provide / cause to be provided information to the Debenture Trustee in respect of the following promptly and no later than 5 (Five) Business Days from the occurrence of such event (unless otherwise specifically provided):
 - (i) any proposed change in the nature or scope of the business or operations of the Company or the entering into any agreement or arrangement by any Person other than in the normal course of business that may materially affect the assets and liabilities of the Company, at least 3 (Three) Business Days prior to the date on which such action is proposed to be given effect.
 - (ii) all orders, directions, notices of court/tribunal affecting or likely to affect the Security and/or the Secured Property.
 - (iii) any amalgamation, merger or reconstruction scheme proposed by the Company.
- (d) The Company agrees to send to the Debenture Holder(s), within 1 (One) month from the end of half year(s) September and March, for dissemination a half-yearly communication, countersigned by the Debenture Trustee containing the following information:
 - (i) Debt-equity ratio of the Company;
 - (ii) Previous Due Date for the payment of Coupon/principal and whether the same has been paid or not;
 - (iii) Next Due Date of payment of Coupon/principal and whether the same would be paid or not;
 - (iv) Net worth;
 - (v) Net profits after tax; and

- (vi) Earnings per Share.
- (e) Send to the Stock Exchange for dissemination, such information as required to be disclosed by the Company in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1.7.2. Affirmative Covenants

The Company undertakes and covenants that, in addition to the affirmative covenants set out in Clause 2.4.2 herein, the Company shall, until the Final Settlement Date:

(a) Preserve Corporate Status

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

(b) Authorisations

The Company shall promptly:

- (i) obtain, comply with and do all that is necessary to maintain the Transaction Documents and the Debentures, in full force and effect; and
- (ii) supply certified copies to the Debenture Trustee of, authorisations, consents, approvals, resolutions, licences, governmental approvals, exemptions, filings, notarisations or registrations required for it (A) to enable the Company to lawfully perform its obligations under the Transaction Documents and ensure their legality, validity and enforceability; and (B) to continue making the Transaction Documents admissible in evidence.

(c) Utilization of Proceeds of Debentures

Utilize the moneys received towards subscription of the Debentures for the Purpose.

(d) Comply with the Provisions of Section 125 of the Act

Comply with the provisions of Section 125 of the Act relating to transfer of unclaimed redemption and Coupon amounts under the Debentures to the Investor Education and Protection Fund ("IEPF"), if applicable to it.

(e) Validity of Transaction Documents

The Company shall (and the Company shall cause the Guarantor to) ensure that Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Company and/or the Guarantor.

(f) Asset Cover

Maintain the Asset Cover as required under the Deed of Hypothecation at all times, until the Final Settlement Date.

(g) Make the Relevant Filings with the Registrar of Companies

Pursuant to the Act and the relevant rules issued thereunder, make the necessary filings of the documents mandated therein, including the Form PAS-3, with the Registrar of Companies within the timelines prescribed thereunder to preserve, renew and keep in full force and effect its existence and/or its rights necessary for the operation of its business and/or the legality and validity of any Transaction Documents.

(h) Grievance Redressal

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and/ or the Debenture Holder(s) in this regard and shall update the Debenture Trustee periodically of its compliance with the same.

(i) Accounts and Records

Keep proper books of account and keep the said books of account and all other books, registers and 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.

(j) Access and Inspection

- (i) Permit the Debenture Trustee to examine the relevant books and records of the Company upon reasonable prior notice and at such reasonable times and intervals as the Debenture Trustee may reasonably request.
- (ii) permit the Debenture Trustee and the representatives of the Debenture Holder(s), upon prior written notice, to visit and inspect any of the premises where its business is conducted and to have access to its relevant books of account and records in relation to the Issue and to enter into or upon and to view and inspect the state and condition of all the Secured Property, together with all records, registers relating to the Secured Property.
- (iii) The Company shall (and the Company shall cause the Guarantor to) give to the Debenture Trustee or to such person or persons as aforesaid such information as they or any of them shall require as to all matters relating to the business, property and affairs of the Company and/or the Guarantor and in relation to the Secured Property and the Debenture Trustee shall be entitled, if it thinks fit, from time to time, to nominate a firm of chartered accountant to examine the books of account, documents and property of the Company and/or the Guarantor or any part thereof and to investigate the affairs of the Company and/or the Guarantor and the Company and/or the Guarantor shall allow any such accountant to make such examination and investigation and shall furnish all such information as they may require and shall pay all costs, charges and expenses of and incidental to such examination and investigation.

(k) Insurance of Secured Property

Keep the Secured Property adequately insured, if applicable and in a proper condition.

(l) Payment of Taxes and Other Liabilities

The Company shall (and the Company shall cause the Guarantor to) punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company and/or the Guarantor (as applicable) as and when the same shall become

payable including in relation to the Issue and the Secured Property and when required by the Debenture Trustee produce the receipts for such payments and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company and/or the Guarantor in respect of or any part of the Secured Property.

(m) Further Documents and Acts

The Company shall (and the Company shall cause the Guarantor) to execute all such deeds, documents, instruments and assurances and do all such acts and things the Debenture Trustee may require for exercising the rights under this Deed and the Debentures and for perfecting this Deed or for effectuating and completing the Security intended to be hereby created and shall from time to time and at all times after the Security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurance, acts, and things as the Debenture Trustee may require for facilitating realisation of the Secured Property and in particular the Company shall execute all transfers, conveyances, assignments and assurance of the Secured Property whether to the Debenture Trustee or to their nominees and shall give all notices and directions which the Debenture Trustee may think expedient.

(n) Compliance with Applicable Laws

Comply with all Applicable Laws in relation to the Issue, including the provisions of the Act and the rules framed thereunder, the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, the Foreign Exchange Management (Debt Instruments) Regulations, 2019 and any notification, circular, press release issued by the SEBI/RBI, from time to time.

(o) Security

- (i) The Debentures shall be secured by way of (i) a first ranking exclusive charge over the Secured Property and a (ii) a Guarantee provided by the Guarantor;
- (ii) The Company shall perfect the security over the Secured Property by filing Form CHG-9 with the Registrar of Companies in relation thereto within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation;
- (iii) The Company shall maintain the Secured Property in a proper condition and shall pay all taxes and cesses in relation to the Secured Property within the time permissible under Applicable Laws.
- (iv) The Company shall carry out subsequent valuation of the Secured Property, at the request of the Debenture Trustee.
- (v) The Company shall co-operate and shall provide all necessary assistance and furnish such information or documents as may be required by the Debenture Trustee and/or the Debenture Holder(s), to the satisfaction of the Debenture Trustee to enable it to make necessary filings in connection with the creation of security over the Secured Property with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.

Notwithstanding the above, the Company shall take all the necessary and requisite actions, including the making of all filings with the relevant authorities, such as the Registrar of Companies, in order to perfect the security over the Secured Property created or modified (by way of addition or substitution or replacement of Receivables, as provided for in the Deed of Hypothecation) by the Company, at least on a quarterly basis. The Company shall submit the requisite proof of such perfection of security to the Debenture Trustee.

(p) Compliance with Form SH-12

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

(q) Information Utility

No later than 15 (Fifteen) Business Days of receipt of a request from the Debenture Trustee, the Company shall authenticate any information relating to the Debentures, to be submitted by the Debenture Trustee with the Information Utility.

(r) Co-operation

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

1.7.3. **Negative Covenants**

The Company hereby covenants with the Debenture Holder(s) and the Debenture Trustee that, in addition to the negative covenants set out in Clause 2.4.3 below, the Company shall not , for so long as any amount remains outstanding under the Debentures, take any action in relation to the items set out in this Clause 1.7.3 and Clause 2.4.3 (except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)). The Debenture Trustee shall, after consultation with the Majority Debenture Holder(s), provide its approval or dissent as the case may be, as soon as reasonably practicable on receipt of any such request for approval received by the Company:

(a) Negative Pledge

Create or permit to subsist any security over any of its assets. Provided that the Company may create security over its assets (otherwise than as provided for in the Transaction Documents in relation to the Debentures) in the ordinary course of its business, if the Company (i) continues to comply with all the financial covenants as set out in Clause 2.2 hereunder in respect of itself and those applicable on the Guarantor; (ii) continues to maintain the Asset Cover as stipulated under the Deed of Hypothecation; (iii) no Event of Default is existing or is continuing; (iv) such security created over its assets is in relation to any borrowing or loan raised by the Company in the ordinary course of business.

Provided that the hypothecation created pursuant to the Transaction Documents shall always have a first ranking, exclusive and continuing charge over the Secured Property, both present and future, in favour of the Debenture Trustee.

(b) Dividends

Please refer to Clause 2.4.3(j) (*Additional Negative Covenants*) of **Part B** below.

(c) Mergers

Please refer to Clause 2.4.3(c) (*Additional Negative Covenants*) of **Part B** below.

1.7.4. Financial Covenants

The Company shall, until the Final Settlement Date, comply with the financial covenants set out in 2.2 of Part B of this Deed.

1.7.5. Breach of Covenant by the Company may be Waived

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

1.8. EVENTS OF DEFAULT AND CONSEQUENCES OF EVENTS OF DEFAULT

1.8.1. *Events of Default*

If one or more of the events specified below and/or in Clause 2.5.1 below (hereinafter each an “**Event of Default**” and collectively, “**Events of Default**”) happen(s), the Debenture Trustee may, in their discretion, and shall, upon request in writing of the Majority Debenture Holder(s), or by a Special Resolution duly passed at the meeting of the Debenture Holder(s) held in accordance with the provisions set out in **Schedule IV** hereto, by a notice in writing to the Company, take all such action, expressly or impliedly permitted under the Transaction Documents or in law:

(a) Non-Payment

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

(b) Misrepresentation

Any representation or warranty made by the Company and/or the Guarantor in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holder(s) by the Company and/or the Guarantor shall prove to have been incorrect, false or misleading in any material respect when made or deemed made and such misrepresentation adversely affects the interest of the Debenture Holder(s) in the reasonable opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holder(s)).

(c) Inability to Pay Debts

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

(d) Winding-Up, Dissolution or Cessation of Business

An order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company and/or the Guarantor or the Company and/or the Guarantor ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.

(e) Security Interest

- (i) When the Company creates or attempts to create any charge on the Secured Property or any part thereof or attempts to sell, transfer, lease or otherwise dispose of in any manner whatsoever, any assets constituting the Secured Property without the prior approval of the Debenture Trustee;
- (ii) The value of the Secured Property is insufficient to maintain the Asset Cover and Company fails to maintain the Asset Cover within the stipulated timelines in the Deed of Hypothecation;
- (iii) In the opinion of the Debenture Trustee, acting on the instructions of the Majority Debenture Holder(s), the Security offered for the Debentures is in jeopardy.

(f) Breach of Terms of the Transaction Documents

Other than as specifically provided above and in Clause 2.5.1 below, the Company and/or the Guarantor defaults in the performance of any other covenants, obligations, representations or warranties under these presents or any other Transaction Document, unless such default is capable of being cured and is cured within 30 (Thirty) calendar days from the date of its first occurrence.

1.8.2. Consequences of an Event of Default

On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holder(s), (a) upon the expiry of the cure period provided to the Company and/or the Guarantor, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall, if so directed by the Majority Debenture Holder(s), in addition to the consequences set out in Clause 2.5.2 below, also have the right to:

- (i) accelerate the redemption of the Debentures; and/ or
- (ii) appoint a nominee director on the board of directors of the Company; and/ or
- (iii) enforce the charge over the Secured Property in accordance with the terms of the Deed of Hypothecation.

1.8.3. Nominee Directors

The Debenture Trustee shall have a right to appoint a nominee director on the Board of Directors of the Company (hereinafter referred to as the “**Nominee Director**”) in accordance with the provisions of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as may be updated or amended from time to time and/ or under the relevant rules issued under the 2013 Act in the event of:

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

The Nominee Director so appointed shall not be liable to retire by rotation nor shall be required to hold any qualification shares. The Company shall take steps to amend its articles of association for the purpose, if necessary.

1.8.4. *Right to Disclose / Publish the Names of the Company and its Directors as Defaulters*

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

1.9. DEBENTURE TRUSTEE PROVISIONS

1.9.1. *Relationship between the Debenture Trustee and the Company*

- (a) The Debenture Trustee shall not, in any respect be an agent of, or trustee for, the Company by virtue of this Deed or the other Transaction Documents.
- (b) The Debenture Trustee shall not be liable to the Company for any breach by any of the other parties to any of the Transaction Documents.

1.9.2. *Role and Responsibilities of the Debenture Trustee*

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

- (a) The Debenture Trustee shall hold, accept, manage and administer the Security (on behalf of the Debenture Holder(s)) and perform all such acts, deeds and things which the Debenture Trustee may, from time to time, deem necessary or appropriate for or incidental to the management and administration of the rights and Security from time to time vested in it as the Debenture Trustee, under, pursuant to or in connection with the Transaction Documents, all in accordance with the terms and conditions of this Deed and the other Transaction Documents.
- (b) The Debenture Trustee shall, subject to these presents, perform its duties and obligations, and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustee by the Debenture Holder(s), and shall further conduct itself, and comply with the provisions of the Indian Trusts Act, 1882, the SEBI (Debenture Trustee) Regulations, 1993 and all other Applicable Law.
- (c) The Debenture Trustee shall monitor the Asset Cover on the basis of the quarterly reports certified by a chartered accountant, submitted by the Company.
- (d) The Debenture Trustee shall enter into any agreements with the Company or any other entity identified by the Company (and consented to by the Debenture Trustee) for the creation, and perfection of the Security or any other agreements for and on behalf of and for the benefit of the Debenture Holder(s).
- (e) The Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise. Any such advice, opinion or information and any communication passing between the Debenture Trustee and their

representative or attorney or a receiver appointed by them may be obtained or sent by letter, telegram, cablegram, telex or telephonic message.

- (f) The Debenture Trustee shall act only on the instructions of the Majority Debenture Holder(s) and in accordance with this Deed and the other Transaction Documents.
- (g) The Debenture Trustee shall be at liberty to accept a certificate signed by the authorised signatory of the Company as to any act or matter prima facie within the knowledge of the Company as sufficient evidence.
- (h) The Debenture Trustee may accept, with or without inspection, inquiry or requisition, such title as the Company may have to the Secured Property.
- (i) The Debenture Trustee shall be at liberty to keep these presents and all deeds and other documents of title relating to the Secured Property charged/to be charged to the Debenture Trustee at their registered office or elsewhere or if the Debenture Trustee so decides with any banker or Company whose business includes undertaking the safe custody of documents or with an advocates or firm of solicitors.
- (j) With a view to facilitating any dealing under any provisions of these presents, the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions unconditionally.
- (k) The Debenture Trustee shall have full power, in consultation with the Debenture Holder(s), to determine all questions and doubts arising in relation to any of the provisions of these presents and every such determination bona fide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) shall be conclusive and binding upon all Persons interested under these presents.
- (l) The Debenture Trustee does not make any representation and warranty as to the adequacy of the Security for the Debentures.
- (m) The Debenture Trustee shall execute and deliver such Transaction Documents as are required to be executed by the Debenture Trustee, to keep in its custody documents, deeds and writings in relation to the properties / assets secured in favour of the Debenture Trustee, and do any other act necessary for creation and perfection of the Security under the Transaction Documents.
- (n) The Debenture Trustee shall take all relevant actions (or refrain from taking any, as the case may be) to preserve the rights and Security constituted under the Transaction Documents as and where necessary to do so and to refrain from any acts and avoid any omissions which might prejudice the value or the validity or the enforceability of the rights and Security constituted under the Transaction Documents, all in accordance with the terms and conditions of this Deed and the other Transaction Documents.
- (o) The Debenture Trustee shall enforce and foreclose the rights and Security constituted by the Transaction Documents and to perform all such acts, deeds and things which the Debenture Trustee may, from time to time, deem necessary or appropriate for or incidental to such enforcement and foreclosure of the rights and Security constituted by the Transaction Documents, all in accordance with the terms and conditions of this Deed and the other Transaction Documents.
- (p) The Debenture Trustee shall take whatever action or exercise any rights or remedies that shall be required to be taken or executed by the Debenture Trustee by the terms and provisions of this Deed and/ or the other Transaction Documents and exercise its rights and perform its duties and obligations under each of the said documents.

- (q) The Debenture Trustee shall, subject to the terms and provisions of this Deed and the other Transaction Documents, take such other action in connection with the foregoing as the Debenture Holder(s) may, from time to time, direct.
- (r) The Debenture Trustee shall keep in its custody and hold all the original Transaction Documents for the benefit of the Debenture Holder(s).

PROVIDED NEVERTHELESS that nothing contained in this Clause 1.9.2 shall exempt the Debenture Trustee from or indemnify it against any liability for negligence, breach of trust or wilful default nor any liability which by virtue of any rule or law would otherwise attach to it in respect of any negligence, wilful default or breach of trust which they may be guilty in relation to their duties thereunder.

1.10. MISCELLANEOUS

1.10.1. Modifications to these Presents

Any provision of this Deed may be amended or modified or waived, if such amendment, modification or waiver is consented to by the Majority Debenture Holders and is in writing and duly signed by the authorised signatories of the Company and the Debenture Trustee; provided that once an amendment, modification or waiver has been approved by a consent in writing of the Majority Debenture Holder(s) for the time being outstanding or by a Special Resolution duly passed at a meeting of the Debenture Holder(s) convened in accordance with the provisions set out in **Schedule IV** hereto, the Debenture Trustee and the Company shall give effect to the same by executing necessary deed(s) and documents supplemental to these presents.

1.10.2. Notices

- (a) Any notice, demand, request or other communication to be made or given under this Deed shall be in writing unless otherwise stated. Such notice, demand request or other communication shall be deemed to have been duly given or made when it shall be sent by any of the following means: (a) delivered personally, or (b) sent by facsimile transmission, or (c) sent by registered mail with acknowledgment due, postage prepaid, or (d) sent by e-mail.

The details of the Parties for the purposes of serving any notices in relation to or pursuant to this Deed shall be as set out below:

(a) Company
Lendingkart Finance Limited

Address : 6th Floor, B Block, The First, The First Avenue Road, Behind Keshavbaug Party,
Plot, Vastrapur, Ahmedabad, Gujarat, India - 380015
Attention : Mr. Sudeep Bhatia
E-Mail : capitalmarket@lendingkart.com

(b) Debenture Trustee
Catalyst Trusteeship Limited

Address : Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai
– 400098
Attention : Mr. Umesh Salvi, Business Head
Phone : 022-49220555

Fax : 022-49220505
E-mail : umesh.salvi@ctftrustee.com

- (b) Any communication or document made or delivered by one Party to another under or in connection with this Deed will only be effective:
 - (i) if by way of Personal delivery, when delivered; or
 - (ii) if by way of facsimile, when the sender receives a receipt indicating proper transmission; or
 - (iii) if by way of letter, 3 (Three) Business Days after it has been deposited in the post (by registered post, with acknowledgment due), postage prepaid in an envelope duly addressed to the addressee; or
 - (iv) if by way of e-mail, when received in legible form.
- (c) Notwithstanding anything to the contrary contained hereinabove, any communication or document to be made or delivered to the Debenture Trustee will be effective only when actually received by the Debenture Trustee.
- (d) English language
 - (i) Any notice given under or in connection with any Transaction Document must be in English.
 - (ii) All other documents provided under or in connection with any Transaction Document must be in English or if not in English accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.
- (e) Any Party to this Deed may modify or alter the details for notices to be served on such Party, as provided under Clause 1.10.2(a) above, by giving a prior written notice of 4 (Four) Business Days, addressed to all other Parties.
- (f) Any notice given under or in connection with this Deed must be in English.
- (g) This Clause 1.10.2 shall survive the termination of this Deed.

1.10.3. Discharges and Releases

Notwithstanding that the Company may have paid all amounts in respect of the obligations of the Company under the Transaction Documents and/ or any discharge, release or settlement, from time to time, thereunder, if:

- (i) any security interest, disposition or payment granted or made to the Debenture Trustee/ Debenture Holder(s) by the Company is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any applicable Law relating to bankruptcy, insolvency, liquidation, winding-up, industrial sickness, composition or arrangement for the time being or from time to time in force or for any other reason; or
- (ii) as a result of any sharing arrangement under the Transaction Documents or otherwise, including without limitation, sharing arrangements with other lenders having *pari passu* ranking security over the assets of the Company, and the Debenture Trustee / Debenture Holder(s) is obliged to share the payments made by the Company and consequently the obligations owing under the Transaction Documents are still owing;

then the amount so avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision of law or enactment relating to bankruptcy, insolvency, liquidation, winding up, composition or arrangement

for the time being in force or for any other reason resulting in the above shall not be considered to have been paid and the Debenture Trustee shall be entitled hereafter to enforce this Deed as if no such discharge, release or settlement had occurred.

1.10.4. *Limitation on Rights of Others*

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

1.10.5. *Severability*

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

1.10.6. *Effective Date*

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

1.10.7. *Disputes and Governing Law*

- (i) The validity, interpretation, implementation and resolution of disputes arising out of or in connection with this Deed shall be governed by the laws of India.
- (ii) The Parties agrees that the courts and tribunals in New Delhi shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Deed may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.
- (iii) Nothing contained in this Clause 1.10.7, shall limit any right of the Debenture Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.
- (iv) The provisions of this Clause 1.10.7 shall survive the termination of this Deed.

1.10.8. *Counterparts*

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

1.10.9. *Costs and Expenses*

The Company shall pay any amounts payable under Applicable Law as stamp duty on this Deed and the issuance of Debentures. The Company shall pay such other amounts as set out in Clause 2.13 below.

1.10.10. Appropriation of Payments

- (a) The Debenture Trustee shall hold UPON TRUST all monies received by it pursuant to the Transaction Documents, including from:
 - (i) any compensation money in respect of any acquisition and requisition or nationalization or takeover of the Company or any other Person, or its management by any Person/ authority; and
 - (ii) any other realization of whatsoever nature,and shall distribute and/ or apply the said monies in accordance with Clause 1.10.10(b) herein, provided however, in the first place, by and out of the said monies reimburse itself and pay, retain or discharge all the costs, charges and expenses incurred in or about the entry, appointment of agents, calling in, collection, conversion or the exercise of the powers and trusts under this Deed.
- (b) any payments due and payable to the Debenture Holder(s) and made by the Company shall be appropriated towards such dues in the following order:
 - (i) Firstly, towards costs, charges and expenses incurred by the Debenture Trustee in accordance with the terms of this Deed;
 - (ii) Secondly, reimbursement of all costs and expenses paid by the Debenture Holder(s) as provided under Clause 1.10.9;
 - (iii) Thirdly, towards default interest payable;
 - (iv) Fourthly, towards interest at the Coupon Rate; and
 - (v) Lastly, towards the redemption of the Debentures due and payable under this Deed.

1.10.11. Tax Gross-Up and Indemnity

- (a) The Company shall make all payments to be made by it pursuant to this Deed without any Tax Deduction, unless a Tax Deduction is required by Applicable Law.
- (b) The Company shall, promptly, upon becoming aware that it has, had or will have to make a Tax Deduction (or that there has been or will be any change in the rate at which or the basis on which any tax deduction has to be made) notify the Debenture Trustee accordingly. Similarly, any of the Debenture Holder(s) shall notify the Debenture Trustee on becoming so aware in respect of a payment payable to that Debenture Holder(s). If the Debenture Trustee receives such a notification from a Debenture Holder(s) it shall notify the Company.
- (c) If a Tax Deduction required by Applicable Law is to be made by the Company to the Initial Debenture Holder, the amount of the payment due from the Company shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) If a Tax Deduction required by Applicable Law is to be made by the Company to subsequent Debenture Holder(s) under the situation where (i) no Event of Default exists, the benefit of Tax Deduction shall be extended

to the subsequent Debenture Holder(s) subject to the consent of the Company; (ii) however, if an Event of Default exists, then no prior consent of the Company shall be required to extend the benefit of the Tax Deduction to such subsequent Debenture Holder(s).

- (e) If the Company is required to make a Tax Deduction, the Company shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.
- (f) As soon as available, and in no event later than 2 (Two) Business Days of receiving 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, the Company shall deliver the same to the Debenture Trustee; provided that the Company shall undertake all reasonable efforts to obtain such evidence in relation to the Tax Deduction at the earliest from the relevant Authorities.
- (g) The Company shall (within 10 (Ten) days of demand by a Debenture Holder) pay that Debenture Holder an amount equal to the loss, liability or cost which that Debenture Holder determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Debenture Holder in respect of a Transaction Document.
- (h) If a Debenture Holder makes or intends to make a claim under this Clause 1.10.11, it shall promptly notify the Company and the Debenture Trustee of the event, which will give rise to such claim.

1.10.12. Assignment

The Company shall not assign any of the rights, duties or obligations under this Deed or in relation to the Debentures without the prior written consent of the Debenture Trustee (acting on the instructions of all the Debenture Holder(s)).

The Debenture Holder(s) shall have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents.

[Intentionally left blank]

2. PART B: DETAILS SPECIFIC TO THE ISSUE

2.1. PURPOSE

The Company shall utilise the monies received upon subscription of the Debentures solely for on-lending (in INR) to Eligible Clients (including but not limited to Women Clients) by making loans with a loan ticket size of less than USD 10,000 (or its equivalent in INR) ("**Micro Sub-Loans**"). The Company further covenants that under no circumstances shall the proceeds from the Issue be deployed towards any investment in real estate business, capital markets or purchase of lands.

2.2. FINANCIAL COVENANTS

The Company shall, on and from the Deemed Date of Allotment and at all times until the redemption of all outstanding Debentures:

- (a) maintain the Capital Adequacy Ratio of greater than (i) the level as prescribed by RBI or (ii) 25% (Twenty-Five Percent), whichever is higher;
- (b) maintain the Cost to Income Ratio at less than 80% (Eighty Percent);
- (c) maintain the Open Assets Exposure Ratio at less than 20% (Twenty Percent);
- (d) maintain the Single Client Group Exposure Ratio at less than 15% (Fifteen Percent) for all Clients and Client Groups;
- (e) maintain the aggregate amount of Non-Performing Loans Ratio at less than 5% (Five Percent);
- (f) Cause the Guarantor to maintain a Solvency Ratio of greater than 60% (Sixty Percent).

2.3. ADDITIONAL REPRESENTATIONS AND WARRANTIES

In addition to the representations and warranties represented and warranted by the Company pursuant to Clause 1.6.1 (*Representations and Warranties*) of Part A above, the Company hereby, represents and warrants with reference to the facts and circumstances as on the date hereof:

2.3.1. *Representations and Warranties of the Company*

- (a) Status of Subsidiaries
 - (i) Each of the Subsidiaries is duly incorporated, registered and validly existing under the Applicable Law of India.
 - (ii) Each of the Subsidiaries has the corporate power, authority and all material permits, approvals, authorizations, licenses, registrations, and consents including registrations, to own and operate its assets and to carry on its business in substantially the same manner as it is currently conducted.
- (b) Corporate Matters
 - (i) All the legal and procedural requirements specified in the constitutional documents of the Company have been duly complied with in all respects in relation to the Issue.

- (ii) The registers, and minute books (including the minutes of board and shareholders meeting) required to be maintained by the Company (and each of its Subsidiary) under Applicable Law: a) are up-to-date and have been maintained in accordance with Applicable Law; b) comprise complete and accurate records of all information required to be recorded in such books and records; and c) no notice or allegation that any of them are incorrect and/ or should be rectified has been received.

(c) Binding Obligations

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

(d) Non-Conflict with Other Obligations

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

- (i) any Applicable Laws including but not limited to laws and regulations regarding anti-money laundering or Terrorism Financing and similar financial sanctions; or
- (ii) its constitutional documents; or
- (iii) any agreement or instrument binding upon it or any of its assets.

(e) Power and Authority

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

(f) Valid Execution

The Transaction Documents have been duly and validly executed and delivered by the Company and constitute a legal and binding obligation of the Company enforceable against the Company in accordance with their respective terms.

(g) Accounts and Records

The books of accounts of the Company (and each of its Subsidiaries) have been fairly and properly maintained, the accounts of the Company (and each of its Subsidiaries) have been prepared in accordance with Applicable Law and in accordance with the generally accepted accounting principles, so as to give a true and fair view of the business (including the assets, liabilities and state of affairs) of the Company (and each of its Subsidiaries).

(h) No Default

No Event of Default has currently occurred and is continuing as of the date hereof or would reasonably be expected to result from the execution or performance of any Transaction Documents (by the Company and/or the Guarantor, as the case may be) or by the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the

Company and/or the Guarantor or any of their assets or which might have a Material Adverse Effect as on the date hereof.

(i) Pari Passu ranking

The Company's payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all of its other senior secured creditors having the benefit of similar security as created under the terms of the Transaction Documents for this Issue, except for obligations mandatorily preferred by law applying to companies generally.

(j) No Proceedings Pending or Threatened

- (i) There are no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency, which if adversely determined, may have a Material Adverse Effect, which have been started or threatened against the Company (or any of its Subsidiaries) except as disclosed by the Company in its annual reports, financial statements, the private placement offer letter.
- (ii) There are no claims, investigations or proceedings before any Governmental Authority in progress or pending against or relating to the Company (or any of its Subsidiaries), which would have a Material Adverse Effect on the Debentures (or the holders thereof) or on the ability of the Company and/or the Guarantor to make the scheduled Payments in relation to the Debentures.
- (iii) There are no unfulfilled or unsatisfied judgments or court orders of which the Company (or any of its Subsidiaries) has notice, and which is outstanding against the Company (or any of its Subsidiaries) which would have a Material Adverse Effect on the Debentures (or the holders thereof) or on the ability of the Company and/or the Guarantor and to make the scheduled Payments in relation to the Debentures.
- (iv) Neither the Company nor any of its Subsidiaries has/have taken any action nor has any order been passed for its insolvency, winding-up, dissolution or re-organisation or for the enforcement of any security over its assets or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer for it or in respect of its assets.

(k) No Misleading Information

All information provided by the Company and/or the Guarantor to the Debenture Trustee/ Debenture Holder(s) for the purposes of this Issue is true and accurate in all respects as at the date it was provided or as at the date (if any) on which it is stated.

(l) Compliance with Law, Anti-Corruption

- (i) The Company (and each of its Subsidiaries) are in compliance in all respects, with all Applicable Law for the performance of its obligations in respect to this Issue, including but not limited to Environmental Law, Social Law, and Client Protection Laws for it to carry on its business and shall take all reasonable steps in anticipation of known or expected future changes under the same. The Company confirms, to the best of its knowledge and belief, that there are no pending material Client Protection Claims as on the date of this Deed, either against the Company or against any of its Subsidiaries.

- (ii) Notwithstanding anything stated in sub-clause (i) above, the Company irrevocably represents and warrants that neither the Company nor any of its Group Entities or any Person acting on their behalf and their officers, directors and employees have engaged in any Objectionable Practice.
- (m) Assets
- Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (including such security interests and encumbrances as disclosed and enlisted in **Schedule XIV** hereto, which have been created and which will be recorded with the Ministry of Corporate Affairs in due course) (available using CIN U65910MH1996PLC258722 on the website <http://www.mca.gov.in/mcafoportal/showIndexOfCharges.do> under the heading Index of Charges), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.
- (n) Financial Statements
- (i) The Company's financial statements most recently supplied to the Debenture Trustee have been prepared in accordance with IND AS consistently applied, save to the extent expressly disclosed in such financial statements.
- (ii) The Company's financial statements most recently supplied to the Debenture Trustee as of March 31, 2020, give a true and fair view and represent its financial condition and operations during the relevant financial year, save to the extent expressly disclosed in such financial statements.
- (o) 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 (other than any moratorium on payment/repayment of any principal or interest instalment provided by any lender incorporated in India and regulated by the RBI to the Company pursuant to the Moratorium Directions (COVID-19)) and it will not be deemed by a court to be unable to pay its debts within the meaning of Applicable Laws, nor in any such case, will it become so in consequence of entering into this Deed.
- (ii) The value of the assets of the Company is more than its respective liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (iii) As on the date hereof, the Company has not taken any corporate action nor has taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.
- (p) Taxation Matters
- (i) The Company (and each of its Subsidiaries) have complied with all the requirements as specified under the respective Tax laws as applicable to it in relation to returns, computations, notices and information which are or are required to be made or given by the Company (or any of its Subsidiaries) to any Tax authority for Taxation and for any other Tax or duty purposes, have been made and are correct.
- (ii) The Company has not received any written notice of any Tax disputes or other liabilities of Taxes in respect of which a claim has been made or notice has been issued against the Company wherein the rights and interests of the Debenture Holder(s) have been or may be adversely affected in any manner whatsoever.

- (iii) There are no outstanding tax claims against the Company.
- (iv) The Company is not required to make any Tax Deduction on Payments in terms of Applicable Law.
- (q) Material Adverse Effect

The Company hereby represents that there is no Material Adverse Effect existing and that there are no circumstances existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect on the Debentures (or on the Debenture Holder(s)) or on the ability of the Company to make the scheduled Payments in relation to the Debentures.
- (r) No Immunity

Neither the Company, nor any of its assets, including the Secured Property are entitled to any immunity from suit, execution, attachment or other legal process in its jurisdiction of incorporation. This Issue (and the documents to be executed in relation thereto) constitutes, and the exercise of its rights and performance of and compliance with its obligations in relation thereto, will constitute, private and commercial acts done and performed for private and commercial purposes.
- (s) Security
 - (i) Save and except the charge created to secure the Debentures (and any other charges disclosed to the Debenture Trustee), the Secured Property hereinbefore expressed to be granted, conveyed, assigned, transferred and assured unto the Debenture Trustee is the sole and absolute property of the Company and is free from any other mortgage, charge or encumbrance and is not subject to any *lis pendens*, attachment, or other order or process issued by any Governmental Authority and that the Company has a clear and marketable title to the Secured Property.
 - (ii) The Transaction Documents executed or to be executed, constitute and will constitute legal, valid and enforceable security interests in favour of, *inter alios* the Debenture Trustee in accordance with the terms thereof and for the benefit of the Debenture Holder(s) on all the assets thereby secured, on a first and exclusive basis and all necessary and all necessary consents for the creation, effectiveness, priority and enforcement of such security have been obtained.
- (t) No Filings or Stamp Taxes

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

 - (i) stamping of the Transaction Documents (on or prior to execution in Ahmedabad) in accordance the applicable provisions of the Gujarat Stamp Act, 1958;
 - (ii) stamping of the Debentures in accordance with the relevant provisions of the Indian Stamp Act, 1899;
 - (iii) filing of the return of allotment (Form PAS-3) with the relevant jurisdictional registrar of companies within the time as prescribed under Applicable Law;
 - (iv) filing of Form CHG-9 with the relevant jurisdictional registrar of companies and the filing of Form I with CERSAI, each within the timelines prescribed under Applicable Law, in respect of the Security.

(u) Social and Environmental Requirements

- (i) No Environmental and Social Claim has been commenced or is threatened against the Company or any of its Subsidiary.
- (ii) The Company undertakes that neither the Company nor any its Subsidiaries has violated, or breached any law to which it may be subject (including, but not limited to, any Environmental Law and Social Law) which has resulted in or could reasonably be expected to have a Material Adverse Effect and that the Company, and all of its Subsidiaries shall continue compliance with all such Applicable Laws (including, but not limited to, Environmental Law and Social Law) at all times. The Company undertakes to allow the Debenture Trustee and/ or the Debenture Holder(s) to verify the Company's and / or such other Subsidiary's compliances with any Applicable Law (including, but not limited to, Environmental Law and Social Law), in any manner as the Debenture Trustee and/or the Debenture Holder(s) may deem fit.
- (iii) With respect to all such Environmental and Social Requirements, the Company and each of its Subsidiary (i) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (ii) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (iii) have not received any complaint or claim from any Person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

(v) Legal and Beneficial Ownership, Good Title

The Company has a good, valid and marketable title to, and legal and beneficial ownership of, and all appropriate permits, licenses, consents, approvals or other authorisations to use, the assets necessary to carry on its business as presently conducted, including those assets that are presently secured under the terms of this Issue.

(w) Insurance

The Company has obtained and maintains all insurances required or advisable in accordance with relevant industry standards. All insurance contracts are in full force and effect and no event or circumstance has occurred nor has there been any omission to disclose a fact which would entitle any insurer to void or otherwise reduce its liability under any insurance contract.

(x) Fund Investors' Consent

The Company has obtained the consent of the Fund Investors in accordance with its Articles of Association for the Issue of Debentures and the creation of Security.

2.4. ADDITIONAL COVENANTS AND UNDERTAKINGS

2.4.1 Additional Information Covenants

The Company hereby, in addition to the information covenants set out in Clause 1.7.1 above, undertakes to:

- (a) Furnish such information in relation to the Security / Secured Property 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 (if any) to monitor the Asset Cover.

- (b) As soon as possible, and in any event, within 60 (Sixty) days of the start of each financial year, submit to the Debenture Holder(s), the current annual business plan of the Company, including a detailed investment budget and forecast accounts for the relevant financial year.
- (c) As soon as available, and in any event within 45 (Forty-Five) calendar days after the end of each Financial Year, provide such further information as the Debenture Holder may reasonably request on the development impact of the activity financed through the proceeds of the Debentures in order for that Debenture Holder to report thereon on its website (as instructed by the Debenture Holder) on an aggregate basis, including, to the extent applicable, any development impact reporting as referenced in **Schedule VI** of this Deed.
- (d) Promptly, upon (i) any Environmental and Social Claim and/or any material Client Protection Claim being commenced against the Company or against its Subsidiaries and/ or (ii) any facts or circumstances which will or are reasonably likely to result in any Environmental and Social Claim and/or any material Client Protection Claim being commenced or threatened against it or any of its Subsidiaries, provide a notice of the same to the Debenture Trustee and the Debenture Holder(s).
- (e) Promptly, but in any event within 3 (Three) days after the occurrence of any of the events set out in this paragraph, supply to the Debenture Trustee and the Initial Debenture Holder (i) details of any incident of an environmental nature (including without limitation any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination) or any incident of a social nature (including without limitation any violent labour unrest or dispute with local communities), occurring on or nearby any site, plant, equipment or facility of the Company, any Group Entity and to the best of the knowledge of the Company, of a Client, which has or is reasonably likely to have a Material Adverse Effect or which has a material negative impact on the environment, the health, safety and security situation, or the social and cultural context, together with, in each case, a specification of the nature of the incident or accident and the on-site and off-site effects of such events and (ii) details of any action the Company proposes to take in order to remedy the effects of these events, and shall keep the Initial Debenture Holder informed about any progress in respect of such remedial action.
- (f) Promptly inform and/or forward to the Debenture Trustee and the Debenture Holders, after the Company knew or received, notice of any dispute, litigation, arbitration, investigation, administrative or other proceeding (including without limitation any orders, directions, notices of any judicial or any other tribunal) affecting the Company and/ or the Guarantor or its property or operations, or any Group Entity which, if adversely determined, might result in a Material Adverse Effect.
- (g) Promptly, and in any event within 90 (Ninety) calendar days after the end of each Financial Year, deliver an Environmental and Social Monitoring Report to the Debenture Trustee and the Debenture Holder(s). Until the completion of the activities mentioned in the Environmental and Social Action Plan, an update on same shall also be attached to the Environmental and Social Monitoring Report and such update shall include (a) all relevant deliverables / compliance indicators; and (b) a schedule of the next following steps to be carried out. In case the annual Environmental and Social Monitoring Report is not satisfactory to the Debenture Trustee, the Debenture Trustee, after consultation with the Company, may appoint an external social and environmental advisor to prepare an appropriate Environmental and Social Monitoring Report at the cost of the Company.

However, it is hereby clarified that no Event of Default shall occur, if, in case of a failure to comply with this clause 2.4.1(g), in relation to the submission of the Environmental and Social Monitoring Report, the Company and the Debenture Trustee (acting on the instructions of the Debenture Holder(s)) agree within 20 (Twenty) calendar days of the Debenture Trustee giving notice to the Company or the Company becoming aware of the failure to comply, on measures to obtain a satisfactory Environmental and Social Monitoring Report. This report can, at the choice of the Debenture Trustee (acting on the instructions of the Debenture Holder(s)), be issued

by an external social and environmental advisor or the Debenture Trustee (acting on the instructions of the Debenture Holder(s)) internal social and environmental department. In any event the Company shall reimburse the Debenture Trustee (acting on the instructions of the Debenture Holder(s)) for all costs incurred in connection with this Clause.

- (h) Submit to the Debenture Trustee and to the Debenture Holder(s), the Company's and the Guarantor's duly audited consolidated financial statements certified by their respective chief financial officer and their respective statutory auditor, within (i) 90 (Ninety) calendar days, in case of the Company; and (ii) 120 (One Hundred and Twenty) calendar days, in case of the Guarantor, from the close of their respective accounting year, accompanied by a compliance certificate duly certified by the respective authorised signatories and the respective statutory auditors of the Company and the Guarantor, as the case may be, which is substantially in the form set out in **Schedule VII** hereto setting out (in reasonable detail) computations as to compliance with Clause 2.2 as at the date as at which those financial statements were drawn up.
- (i) Submit to the Debenture Trustee and to the Debenture Holder(s), the Company's and the Guarantor's provisional/unaudited quarterly financial statements, certified by its respective director or the Chief Financial Officer ("CFO") or authorised signatory, within 45 (Forty Five) calendar days from the close of each of their respective accounting quarters accompanied by a compliance certificate duly certified by the authorised signatories of the Company and the Guarantor, as the case may be, and which certificate, is substantially in the form set out in **Schedule VII** hereto setting out (in reasonable detail) computations as to compliance with Clause 2.2 as at the date as at which those financial statements were drawn up.
- (j) The Debenture Trustee and/ or the Debenture Holder(s) may also require the Guarantor to provide such information which is relevant to the rights of the Debenture Holder(s) and/or the ability of the Company and/ or the Guarantor to meet their obligations in respect of the Debentures. The Company shall (or shall ensure that the Guarantor shall) be required to furnish all the relevant details to the Debenture Trustee, within 7 (Seven) Business Days of the receipt of such request.
- (k) Promptly inform and/or forward to the Debenture Trustee and the Debenture Holders, after the Company obtains knowledge thereof, notice of the occurrence of any event which constitutes an Event of Default specifying the nature of such event, and any steps the Company is taking and proposes to take to remedy the same.
- (l) Promptly inform and/or forward to the Debenture Trustee and the Debenture Holders, after the Company obtains knowledge thereof, notice of the occurrence of any event specified in Clause 1.2.9(c)(ii) above, specifying the nature of such event;
- (m) Promptly upon a request by the Debenture Trustee/ the Debenture Holder(s), the Company shall supply to the Debenture Trustee a certificate signed by the authorised signatory of the Company and the Guarantor, as the case may be, certifying that no Event of Default is continuing by the Company and/or the Guarantor or if an Event of Default is continuing, specifying the nature of such event and the steps, if any, being taken by the Company and/or the Guarantor to remedy it.
- (n) Promptly upon the request of the Majority Debenture Holder (whether on account of a change in the Applicable Law or due to a proposed transfer of the Debentures or otherwise) supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Debenture Holder in order for the Debenture Holder to carry out and be satisfied that it has complied with all the necessary 'know your customer' or other similar checks pursuant to the transactions contemplated in this Issue.
- (o) Promptly, when an Objectionable Practice has occurred and promptly, upon the Company or the Debenture Trustee/ Debenture Holder becoming aware or having the reasonable suspicion that an Objectionable Practice has occurred or may occur, provide accurate and complete information with respect to such Objectionable

Practice and any additional information in relation thereto, in whichever form as the Debenture Trustee/Debenture Holder may request at its sole discretion.

- (p) Promptly, and in any event within 45 (Forty-Five) calendar days after each quarter of each of its financial year, submit to the Debenture Holders, the information in respect of the number of Client Loans, Non-Performing Loans and Loan Loss Reserve, substantially in the form set out in **Schedule X** hereto, which information shall be certified by the authorised signatory of the Company.
- (q) Promptly forward to the Debenture Trustee and the Debenture Holders, a copy of any reporting that the Company is required to submit to the RBI or SEBI, or any other Governmental Authority (where the reporting pertains to any interest of the Debenture Holder(s) being affected) in accordance with the Applicable Laws.
- (r) Promptly inform and/or forward to the Debenture Trustee and the Debenture Holders, upon its publication, any material changes in the relevant regulations affecting the Company from the RBI and any other Governmental Authority that affects or may affect (a) the obligations of the Company under the Transaction Documents and/ or (b) the business of the Company.
- (s) The Company shall provide a quarterly report of the Client Loans which comprise the Covid-19 Restructured Assets and the terms of such restructuring to the Debenture Holder(s) within 15 (Fifteen) Business Days from the end of the relevant quarter until the Maturity Date, in the format specified in **Schedule XI** of this Deed.
- (t) provide/ cause to be provided information in respect of the following promptly and no later than 7 (Seven) calendar days from the occurrence of such event (unless otherwise specifically provided):
 - (i) notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any material respect.
 - (ii) provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Company or any Group Entity as the Debenture Trustee may reasonably request.
 - (iii) provide to the Debenture Trustee and the Debenture Holder(s), the Company's Goods and Services Tax number and any details in respect thereof, upon the request of the Debenture Trustee and/ or the Debenture Holder(s).
 - (iv) notify the Debenture Trustee of any change in the IND AS followed in the financial statements and accordingly vide the Company's auditor's deliver to the Debenture Trustee a description of the changes sought to be made in the financial statements pursuant to the change in the IND AS.
 - (v) notify the Debenture Trustee of any change in the authorized signatories of the Company in relation to this Issue.
 - (vi) forward to the Debenture Trustee, all documents (which would adversely affect the rights of the Debenture Holder(s)) dispatched by the Company to (i) its shareholders and (ii) its creditors generally at the same time as they are dispatched.
 - (vii) inform the Debenture Trustee about all orders, directions, and notices of court/ tribunal affecting the Security.
 - (viii) any security interest being granted or established or becoming enforceable over any of the Secured Property.

- (ix) inform the Debenture Trustee before declaring any dividend.
- (x) provide to the Debenture Trustee and/or the Debenture Holder(s) such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law.

2.4.2 Additional Affirmative Covenants

The Company undertakes and covenants that, in addition to the affirmative covenants set out in Clause 1.7.2 above, until the Final Settlement Date:

(a) Preserve Corporate Status

The Company shall cause every Group Entity to diligently preserve its corporate existence and status and any other rights, licenses and franchises necessary for it to continue its businesses and continue to be a validly existing organization in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law.

(b) Access and Inspection

- (i) The Company shall cause its Group Entity to permit the Debenture Trustee to examine the relevant books and records of the relevant Group Entity upon reasonable prior notice and at such reasonable times and intervals as the Debenture Trustee may reasonably request.
- (ii) The Company shall cause its Group Entity to permit the Debenture Trustee and the representatives of the Debenture Holder(s), upon prior written notice, to visit and inspect any of the premises where its business is conducted and to have access to its relevant books of account and records.

(c) Notice of Winding-Up or Other Legal Process

The Company shall notify the Debenture Trustee in writing, of any notice of an application for insolvency and/ or winding up and/ or liquidation having been made or receipt of any statutory notice of insolvency and/ or winding up and/ or liquidation or issue of a moratorium under the provisions of the Act and/ or the Insolvency and Bankruptcy Code, 2016 (or the rules prescribed thereunder) or any other notice under any other Applicable Law or otherwise of any suit or legal process intended to be filed or initiated against the Company and/or the Guarantor and affecting or likely to affect the charged assets and the title to the property of the Company and/or the Guarantor or if a receiver is appointed in respect of any of its properties or businesses or undertakings promptly, and no later than 5 (Five) calendar days from the occurrence of such event (unless otherwise specifically provided).

(d) Loss or Damage by Uncovered Risks

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

(e) Pay Stamp Duty

The Company shall pay all such stamp duty (including any additional stamp duty), other duties, Taxes, charges and penalties, if and when the Company may be required to pay, according to the laws for the time being in

force in the State where the Transaction Documents have been executed and in the State where the Transaction Documents are brought for enforcement of the rights of the Debenture Holder(s) and/ or the enforcement of Security, and in the event of the Company failing to pay such stamp duty, other duties, Taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(f) Insurance

- (i) The Company shall insure and keep insured, all assets of the Company, in such amounts and of such type which is standard for companies in its business and location and shall duly pay all premia and other sums payable for the purpose. In the event of failure on the part of the Company to insure all assets of the Company adequately in any manner whatsoever, the Debenture Trustee may, but shall not be bound to, get the assets of the Company insured or pay the insurance premia and other sums referred to above. If any such monies are paid, the same shall be immediately reimbursed by the Company.
- (ii) In addition to the above, the Company is to use all reasonable endeavours to prevent the happening of an act, omission, breach or default which would be reasonably likely to render void or voidable, any insurances effected by it.

(g) Corporate Governance

The Company shall ensure (and the Company shall ensure that each Group Entity ensures) that its corporate governance status will be maintained at least at the level at the date of this Deed in respect of (i) the distribution of powers between the governing bodies of the Company, (ii) the rights of shareholders, (iii) board committees and (iv) the internal audit – and risk management function and their respective reporting lines. The Company shall (and the Company shall ensure that each Group Entity) comply with all regulations of the RBI/ the relevant regulator on corporate governance and disclosure to shareholders.

(h) Further Documents and Acts

The Company shall (and shall ensure that the Guarantor) execute all such deeds, documents and assurances and do all such acts and things as the Debenture Trustee (acting on behalf of the Majority Debenture Holder(s)) may require for exercising the rights under this Deed and the Debentures and for perfecting this Deed or for effectuating and completing the Security intended to be hereby created and shall, from time to time, and at all times after the Security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurance, acts, and things as the Debenture Trustee may require for facilitating realisation of the Secured Property and in particular, the Company shall (and shall ensure that the Guarantor) execute all transfers, conveyances, assignments and assurance of the Secured Property whether to the Debenture Trustee or to their nominees and shall give all notices and directions which the Debenture Trustee may think expedient.

(i) Compliance with Laws

- (i) The Company shall (and the Company shall ensure that each Client and all the Group Entities, shall) comply with all laws and regulations, including but not limited to, Tax laws as may be applicable in relation to issuance of the Debentures. The Company shall (and the Company shall ensure that each Client (to the best of Company's knowledge) and all its Subsidiaries, shall) comply with Environmental and Social Requirements or, for those items addressed in the Environmental and Social Action Plan, become compliant within the time-frames agreed upon from time to time and Client Protection Laws and take all reasonable steps in anticipation of known or expected future changes to or obligations under the same.

However, it is hereby clarified that no Event of Default will occur if, in case of a failure by the Company

to comply with Environmental and Social Requirements, the Company and the Debenture Trustee (acting on the instructions of the Debenture Holder(s)) agree, within 20 (Twenty) calendar days of the Debenture Trustee giving notice to the Company or the Company becoming aware of the failure to comply, whichever is earlier, on corrective measures necessary to re-establish compliance, which corrective measures may be in the form of additions or amendments to the Environmental and Social Action Plan required to be implemented by the Company. The corrective measures may also include reasonable variations in the frequency and contents of the environmental and social monitoring requirements.

- (ii) The Company shall, satisfactory to the Debenture Holders, implement all actions as provided in the Environmental and Social Action Plan within the timeframes mentioned therein. The Company will provide to the Debenture Trustee the relevant deliverables or compliance indicators evidence(s) directly upon completion of such action items. However, it is hereby clarified that no Event of Default shall occur, if, in case of a failure to comply with this clause 2.4.2(i)(ii), in relation to the Environmental and Social Action Plan, the Company and the Debenture Trustee (acting on instructions of the Debenture Holder(s)) agree within 20 (Twenty) calendar days of the Debenture Trustee giving notice to the Company or the Company becoming aware of the failure to comply, on corrective measures necessary to re-establish compliance. This may be in the form of amendments to the Environmental and Social Action Plan. The corrective measures may also include reasonable variations in the frequency and contents of the environmental and social monitoring requirements.

(j) Human Resource Policy

The Company shall implement and maintain a Human Resources Policy as per the Environmental and Social Action Plan.

(k) External Communication & Grievance Procedure

The Company shall implement and maintain an External Communication & Grievance Procedure.

(l) Security

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

- (i) the Debentures have been secured by way of a first ranking, exclusive, and continuing charge on the Secured Property and the ranking shall be maintained by the Company until the Maturity Date;
- (ii) that the Company is not aware of any document, judgment or legal process or defects affecting the title or ownership of the Security which has remained undisclosed and/or which may have any Material Adverse Effect.

(m) Compliance With Client Protection Requirements

The Company shall, and the Company shall ensure that each Group Entity, will comply in all material respects with the Client Protection Requirements and take all reasonable steps in anticipation of known or expected future changes to or obligations under the same.

(n) Independent Complaints Mechanism

- (i) The Company agrees that the Initial Debenture Holder may, in the case of an admissible complaint lodged under the Independent Complaints Mechanism in relation to this financing or investment and notwithstanding the term of any other agreement between the Company and the Initial Debenture Holder,

disclose (a) to the complainant and other affected stakeholders, and (b) on its website, currently at <https://www.fmo.nl/>, the following details in relation to the subject of this Deed or otherwise: a) client name; b) project name and description; c) origin (region and country); d) sector; e) total financing; f) date when complaint(s) relating to this financing or investment was lodged; g) short description of complaint(s) relating to this financing or investment including the identity of the complainant(s); and h) status of complaint(s) relating to this financing or investment.

- (ii) The Independent Expert Panel may, in the case of an admissible complaint lodged under the Independent Complaints Mechanism in relation to this financing or investment, disclose to the complainant and other affected stakeholders, draft and final reports prepared further to an investigation by it of an admissible complaint filed, together with (preliminary) findings and/ or recommendations.
- (iii) The Independent Expert Panel may disclose on the Initial Debenture Holder's website, currently at <https://www.fmo.nl/>: (a) in the case of an admissible complaint lodged under the Independent Complaints Mechanism in relation to this financing or investment, final reports prepared further to an investigation by it of an admissible complaint filed, together with findings and/ or recommendations; (b) monitoring reports describing the progress on actions undertaken by the Initial Debenture Holder to address findings and recommendations of the Independent Expert Panel; and (c) an annual report prepared by the Independent Expert Panel which report may include details of any complaint lodged under the Independent Complaints Mechanism in relation to this financing or investment.
- (iv) For the purpose of carrying out the Independent Expert Panel's Role, (i) the Initial Debenture Holder shall be entitled to disclose confidential information received by it in connection with this financing to the Independent Expert Panel, provided that the members of the Independent Expert Panel are subject to reasonable confidentiality undertakings for the benefit of the Initial Debenture Holder, and (ii) the Independent Expert Panel shall be entitled to disclose confidential information received in connection with the Independent Expert Panel's Role to its advisors, provided that such persons are subject to reasonable confidentiality undertakings for the benefit of the Initial Debenture Holder.

(o) Access for the Independent Expert Panel

The Company shall permit the Independent Expert Panel and/or its advisers, unfettered access at all reasonable times and on reasonable notice to: (i) review and obtain copies of documents as deemed relevant by the Independent Expert Panel; (ii) view the premises of the Company and each Group Entity and (iii) meet and discuss matters with management and employees of the Company and each Group Entity, provided that all of the foregoing shall be for the purpose of carrying out the Independent Expert Panel's Role.

(p) Disclosure

The Company agrees that:

- (i) the Initial Debenture Holder may disclose to any person, including any Fund:
 - A. to (or through) whom the Initial Debenture Holder assigns or transfers (or may potentially assign or transfer) all or any of their rights and obligations under the Transaction Documents; or
 - B. with (or through) whom the Initial Debenture Holder enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made by reference to, the Transaction Documents or the Company;

any information about the Company and the Transaction Documents as Initial Debenture Holder shall consider appropriate.

- (ii) the Initial Debenture Holder may, notwithstanding the terms of any other agreement between the Company and the Initial Debenture Holder, disclose any documents or records of, or information about, this Deed and other Transaction Documents, or the assets, business or affairs of the Company to:
 - A. any Fund;
 - B. any person(s) or Governmental Authority to whom information is required to be disclosed by any applicable law, regulation, or judicial requirement;
 - C. the government of the Netherlands or to which it is subject and/or any agency, ministry (and committees), and/or any sub-division, instrumentality or authority thereof, if so requested by the Dutch government or any other Governmental Authority;
 - D. its external counsel, auditors and rating agencies;
 - E. any person pursuant to sub-clause (o) above; and
 - F. any person to the extent provided for by the Disclosure Policy.
- (iii) The Company further consents to the reasonable use and publication of its name and the subject matter of the Transaction Documents by the Initial Debenture Holder in its publications and press releases and on its website.
- (iv) The Initial Debenture Holder may agree with any Fund that the Fund may disclose (i) to its investors as well as to the parties referred to in sub-clause (ii)(B) to (ii)(F) above, any information about the Company, the Group and the Transaction Documents, as the Initial Debenture Holder shall consider appropriate, and (ii) on a website the information referred to in the definition of the term "Disclosure Policy" as well as information in respect of development impact reporting as referenced in **Schedule VI** (*Development Impact Reporting*) hereto.

(q) Fees

- (i) The Company shall pay the amount of the Front End Fee less the Appraisal Fee to the Initial Debenture Holder in USD within 10 (ten) Business Days of the Deemed Date of Allotment in the account specified by the Initial Debenture Holder. The USD amount of the Front End Fee will be based on the mid-market INR/USD exchange rate published by FBIL on the Deemed Date of Allotment.
- (ii) The Company shall pay the Appraisal Fee to the Initial Debenture Holder in USD in accordance with the appraisal letter in the account and within the time period specified by the Initial Debenture Holder in the aforementioned letter.
- (iii) The Company shall for the first year of the tenor of the Debentures, pay to the Initial Debenture Holder within 15 (Fifteen) days of the Deemed Date of Allotment, a monitoring fee of USD 5,000 for the overall monitoring of the Company. For any subsequent year of the tenor of the Debentures, up to and including the year in which the Maturity Date occurs, the Company shall pay to the Initial Debenture Holder a further monitoring fee of USD 5,000 per annum on each first Coupon Payment Date in any said year. Provided that if the Company has raised debt/ availed of a borrowing from the Initial Debenture Holder

more than once, then the monitoring fee shall be payable only once each year, irrespective of the number of debt raised/ borrowings availed.

- (iv) The Company shall pay to the Initial Debenture Holder, a waiver/ amendment fee USD 5,000 or such other lesser amount as FMO may specify for any material waiver and/or amendments and/or approval by the Initial Debenture Holder of the Company's breach of any term of this Deed.
- (v) The Company shall make all payment pertaining to the fees payable under sub-clause (i) to (iv) above, without any Tax Deduction, unless a Tax Deduction is required by Applicable Law, in which case, the amount of the payment due from the Company shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required. As soon as available, and in no event later than 2 (Two) Business Days of receiving 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, the Company shall deliver the same to the Debenture Trustee; provided that the Company shall undertake all reasonable efforts to obtain such evidence in relation to the Tax Deduction at the earliest from the relevant Authorities.

(r) Further Assurances

The Company shall:

- (i) give to the Debenture Trustee any information, relating to the business, property and affairs of the Company and/or the Guarantor, pursuant to a monitoring or servicing request of the Debenture Holder(s);
- (ii) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it lawfully to enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed;
- (iv) ensure and cause to be ensured that the legal and/ or beneficial ownership of the Guarantor in the Company is not diluted below 95% (Ninety Five Percent) of the share capital of the Company at any point of time until the Maturity Date and no Change in Control is effected without the explicit written permission of the Debenture Trustee (acting on the instruction of the Majority Debenture Holder(s)).
- (v) furnish a copy of all or any of the Transaction Documents to the Guarantor as soon as each of such Transaction Document is executed.

The Company undertakes:

- (vi) to ensure that it will promptly, and in no event later than 2 (Two) Business Days, forward the request from the Debenture Holders or the Debenture Trustee, as the case may be, to the Company's statutory auditor regarding, *inter alia*, the queries that the Debenture Holders/ Debenture Trustee may have regarding the Company's accounts and operations and shall undertake all reasonable efforts to elicit a response and facilitate a communication, if necessary between the statutory auditor of the Company and the Debenture Holders or the Debenture Trustee, as the case may be.

- (vii) that any declarations, undertakings or documents provided or that may be provided by the Company and/or the Guarantor to the Debenture Trustee/ Debenture Holder(s) in terms of the Debentures shall form an integral part of the Transaction Documents.
- (viii) that all present and future Financial Indebtedness incurred by the Company towards the Guarantor shall be subservient to that of the Financial Indebtedness incurred by the Company towards the Debenture Holder(s) under the terms of the Transaction Documents.

2.4.3 Additional Negative Covenants

The Company hereby covenants with the Debenture Holder(s) and the Debenture Trustee that, in addition to the negative covenants set out in Clause 1.7.3 above, the Company shall not (and wherever applicable, the Company shall ensure that no Group Entity shall), for so long as any amount remains outstanding under the Debentures, take any action in relation to the items set out in this Clause 2.4.3 (except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)). Provided that the Debenture Trustee shall, after consultation with the Majority Debenture Holder(s), provide its approval or dissent as the case may be, as soon as reasonably practicable on receipt of any such request for approval received by the Company, provided that such approval or consent shall not be unreasonably withheld by the Debenture Trustee.:

(a) Disposal of Assets

The Company shall not:

- (i) sell, transfer, or otherwise dispose of in any manner whatsoever all or a material portion of the assets of the Company, other than (A) the sale of the assets in the ordinary course of business including any securitization/ portfolio sale of assets undertaken by the Company in its ordinary course of business (B) the replacement of a capital asset with a capital asset of equal or greater value; (C) other than under (A) or (B), the sale of assets in a given financial year, where the higher of the market value or consideration receivable (when aggregated with the higher of the market value or consideration receivable) for all the disposals by the Company during that year does not exceed more than 10% (Ten Percent) of the total assets of the Company as per the last day of the previous financial year of the Company; or
- (ii) sell, transfer or otherwise dispose of any receivables on recourse terms other than in the ordinary course of business; or
- (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, save and except bankers' statutory right to lien and set-off arising under Applicable Law; or
- (iv) enter into any preferential arrangement which would have the effect of placing any creditor in preference over the Lender with regards to the assets of the Company, except in relation to the security created over those assets subsequently acquired to secure its purchase price.

(b) Change of Business

The Company shall not (and shall ensure that none of its Group Entities shall) change the general nature and conduct of present scope of its business.

(c) Merger

The Company shall not (and shall ensure that none of its Subsidiaries shall) engage in or undertake any corporate restructuring, re-organisation and/ or re-capitalisation of any sort including but not limited to merger, spin-offs, demerger, consolidation, reorganisation, amalgamation, reconstruction, capital reduction, liquidation, scheme of arrangement or compromise with its shareholders or creditors or any other activity of a similar nature.

(d) Acquisitions

The Company shall not (and shall ensure that none of its Subsidiaries shall) acquire any company, business, assets (excluding the financial assets) or undertaking if the amount of the acquisition cost, when combined with the aggregate acquisition cost of any other companies, business, assets (excluding the financial assets) or undertaking acquired by the Company or any of its Subsidiaries during that financial year exceeds 5% (Five Percent) of the total assets (excluding the financial assets) of the Company (or any of its Subsidiaries, as applicable) as per the last day of the previous Financial Year of the Company (or any of its Subsidiaries, as applicable).

(e) Establishing a New Company

The Company shall not (and shall ensure that none of its Subsidiaries shall) establish/ incorporate a new company or entity.

(f) Arm's Length Transactions

The Company or its Group Entities may enter into any transactions with any Controlled Entity, provided such transactions are entered in the ordinary course of business of the Company or Group Entities (as applicable) and such transactions are on terms and conditions that are substantially as favorable to the Company or its Group Entities (as applicable) as it would obtain in a comparable arm's-length transaction with a Person that is not a Controlled Entity.

(g) Loans and Guarantees

The Company shall not (and shall ensure that none of its Subsidiaries shall) raise any loan, secured or unsecured, issue any debentures, accept any deposits from the public or otherwise issue any equity or preference capital, or give any guarantee, other than those in its ordinary course of business.

(h) Constitutional Documents

The Company shall not (and shall ensure that none of its Group Entities shall) make any amendments to their respective memorandum of association and/or articles of association in a manner which would prejudicially affect the interests of the Debenture Holder(s), without the prior written consent of the Debenture Trustee.

(i) Arrangement with Creditors

The Company shall not (and shall ensure that none of its Subsidiaries shall) enter into any material compromise or arrangement or settlement with any of its secured creditors that would prejudicially affect the interests of the Debenture Holder(s), without the prior written consent of the Debenture Trustee.

(j) Dividends

The Company shall not (and shall ensure that none of its Subsidiaries and the Guarantor shall) declare or pay any dividend to its shareholders during any financial year unless (i) it has paid the amounts then due and

payable on the Debentures, or has made provisions satisfactory to the Debenture Trustee for making such payments and (ii) the Capital Adequacy Ratio as prescribed under these presents is maintained, and (iii) no Event of Default has occurred or will be caused due to payment of such dividends (iv) payment of dividends is out of its retained earnings and (iv) payment of such dividends is in accordance with Applicable Law.

(k) Winding-Up, Etc.

The Company shall not (and shall ensure that none of its Group Entities shall) wind-up, liquidate or dissolve its affairs.

(l) Joint Ventures

The Company shall not (and shall ensure that none of its Group Entities shall):

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

For the purposes of the aforementioned clause, the term “**Joint Venture**” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity, any business arrangement in which the parties agree to develop, for a finite or infinite period of time, a new entity or new assets by contributing equity for common control over revenues, expenses, or other assets, whether in a company, unincorporated firm, undertaking.

(m) Profit Sharing Arrangement

The Company shall not (and shall ensure that none of its Subsidiaries shall) enter into, or establish any partnership, profit sharing, royalty agreement or other similar arrangement, whereby the Company's (or any its Subsidiary's, as applicable) income or profits are, or might be, shared with any other Person, or enter into any management contract or similar arrangement whereby its business or operations are managed by (other than for specific activities outsourced by the Company (or any its Subsidiaries, as applicable) in the ordinary course of business) any other Person, other than any partnerships, tie-ups or other arrangements entered into by the Company (or any its Subsidiaries, as applicable) with third parties for the promotion of various products/ services of such third-parties for the benefit of the Company's underlying Clients or any its Subsidiary's underlying client, as applicable, provided however that any such arrangement shall not give rise to any monetary liabilities imposed on the Company.

(n) Change of Ownership

The Company shall not (and shall ensure that none of its Group Entities shall):

- (i) approve of any transaction or take any corporate action which will result in a Change in Control of the Company (or any of the Group Entities, as applicable); or
- (ii) take any action resulting in the dilution of the legal and/ or beneficial ownership of the Guarantor in the Company below 95% (Ninety Five Percent) of the existing share capital of the Company (as at the Effective Date) at any point of time until the Maturity Date.

(o) Excluded Activities

The Company shall not (and the Company shall ensure that none of the Group Entities shall) (i) perform any of the excluded activities as listed in **Schedule V** of this Deed or (ii) finance any Person or Client performing any of the excluded activities as listed in **Schedule V** of this Deed.

(p) Objectionable Practices

The Company shall not (and the Company shall ensure that none of the Group Entities) engage in any Objectionable Practice, nor authorise or permit any other Person acting on its behalf or on behalf of such Person to do so.

(q) Collective Dismissal

The Company shall not (and the Company shall ensure that none of its Subsidiaries shall) undertake any Collective Dismissal (e.g. due to a potential merger or following restricting of operations) without first developing and implementing a retrenchment plan that is in accordance with all local laws and regulations and IFC Performance Standard 2, paragraphs 18 and 19, taking into consideration as well IFC Performance Standard 2 Guidance Note 2, paragraphs GN48 until GN56. The retrenchment plan will be shared with the Initial Debenture Holder, for information purposes, prior to implementation.

(r) Change in auditors

The Company shall not (and the Company shall ensure that none of the Subsidiaries and the Guarantor) shall appoint any person as its statutory auditor other than:

- (i) one of the Big 4 or Grant Thornton and BDO and their affiliates operating in India; or
- (ii) any person other than the Big 4 or Grant Thornton and BDO and their affiliates operating in India if otherwise required by Applicable Law,

without the consent of the Debenture Trustee (such consent not to be unreasonably withheld).

2.5. ADDITIONAL EVENTS OF DEFAULT

2.5.1 *Events of Default*

If one or more of the events specified below or in Clause 1.8.1 of **Part A** above (hereinafter each an “**Event of Default**” and collectively, “**Events of Default**”) happen(s), the Debenture Trustee may, in their discretion, and shall, upon request in writing of the Debenture Holder(s) of an amount representing not less than three-fourths in value of the nominal amount of the Debentures for the time being outstanding, or by a Special Resolution duly passed at the meeting of the Debenture Holder(s) held in accordance with the provisions set out in **Schedule IV** hereto, by a notice in writing to the Company, take all such action, expressly or impliedly permitted under the Transaction Documents or in law:

(a) Insolvency or Inability to Pay Debts

The value of the assets of the Company and/or the Guarantor is less than its respective liabilities (taking into account, contingent and prospective liabilities).

(b) Material Adverse Change

Any event or circumstance occurs, which in the opinion of the Debenture Trustee (acting in accordance with the consent of the Majority Debenture Holder(s)), has, or is likely to have a Material Adverse Effect.

(c) Cross Default

- (i) If the Company, with respect to its Financial Indebtedness exceeding in aggregate USD 500,000/- (USD Five Hundred Thousand only) of its net assets (A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created (not to exceed 30 (Thirty) days) or (B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (C) due to any default or an event of default, any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.
- (ii) If the Guarantor, with respect to its Financial Indebtedness for which it has hypothecated its Intellectual Property Rights (as defined in the Deed of Guarantee) (A) defaults in any payment of such Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created (not to exceed 30 days) or (B) defaults in the observance or performance of any agreement or condition relating to such Financial Indebtedness (including the occurrence of any event of default specified therein), the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or to invoke the security created in respect of such Intellectual Property Rights (whether by way of sale, assignment or the right to dispose of, in any manner, whatsoever).

(d) Insolvency, Liquidation or Dissolution of the Company/Guarantor, Appointment of Receiver or Liquidator

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

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company and/or the Guarantor;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Company and/or the Guarantor;
- (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company and/or the Guarantor;
- (iv) enforcement of any security over any assets of the Company and/or the Guarantor or any analogous procedure or step is taken in any jurisdiction; or
- (v) any other event occurs, or if any proceeding is instituted including any corporate debt restructuring application having been filed or initiated or any proceedings initiated or any action undertaken pursuant to the RBI's circular (bearing reference number RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19) on 'Prudential Framework for Resolution of Stressed Assets', dated June 7, 2019, as may be updated from time to time, or any moratorium is imposed, whether under the provisions of the Act, the Insolvency and Bankruptcy Code, 2016 or any action

under any other Applicable Law which would have an effect analogous to any of the events listed in clauses (i), (ii), (iii) and (iv) above.

(e) Creditor's Process

- i. Any process or petition for expropriation, attachment, sequestration, distress or execution affecting any asset or assets of the Company having an aggregate value of 5% (Five percent) of the total assets of the Company is initiated or ordered and if the same is not rejected/ discharged/ dismissed/ reversed or settled within 30 (Thirty) calendar days or as given in the said order; or
- ii. Any process or petition for expropriation, attachment, sequestration, distress or execution affecting any asset or assets of the Guarantor having an aggregate value of 5% (Five percent) of the Guarantor's Total Assets is initiated or ordered and if the same is not rejected/ discharged/ dismissed/ reversed or settled within 30 (Thirty) calendar days or as given in the said order

(f) Judgment Defaults

- i. One or more judgments or decrees have been entered/ passed against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (Five Percent) of the total assets of the Company and such judgments or decrees are either final and non-appealable or are not be vacated, discharged or stayed pending appeal for any period of 30 (Thirty) calendar days; or
- ii. One or more judgments or decrees have been entered/ passed against the Guarantor involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (Five Percent) of the Guarantor's Total Assets and such judgments or decrees are either final and non-appealable or are not be vacated, discharged or stayed pending appeal for any period of 30 (Thirty) calendar days.

(g) Transaction Documents

This Deed or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Company and/or the Guarantor.

(h) Repudiation

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

(i) Expropriation, Nationalization Etc.

Any Governmental Authority condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets (including assets forming part of the Security) of the Company and/or the Guarantor or of its share capital, or takes any action for the dissolution of the Company and/or the Guarantor or any action that would prevent the Company and/or the Guarantor or its officers from carrying on all or a substantial part of its business or operations.

(j) Acquiring Business, Assets or Liabilities

If by way of Applicable Laws or otherwise, the Company and/or the Guarantor is forced to acquire the business, undertaking, assets or liabilities of any other company or institution.

(k) Declaration of Moratorium

A moratorium is called on payments by the Company and/or the Guarantor or by third parties in relation to, guarantees, or, External Indebtedness incurred by Company and/or the Guarantor pursuant to any Applicable Law being effected on Indian entities generally or a class thereof to which the Company and/or the Guarantor belongs.

For the purposes of this clause, “**External Indebtedness**” means all indebtedness which (i) is denominated or payable (or, at the option of the payee, creditor or holder thereof, may be payable) in a currency other than the currency of the Republic of India and (ii) was not originally incurred or assumed under an agreement or instrument made with or issued to creditors substantially all of whom were Indian residents or entities having their head office or principal place of business within the territory of Republic of India.

(l) Security

- (i) Any of the Transaction Documents failing 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 failing to have the priority contemplated under the Transaction Documents, or the security interests becoming unlawful, invalid or unenforceable;
- (ii) 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 Secured Property, without the prior intimation and consent of the Debenture Trustee.

(m) Breach of Financial Covenants

If the Company and/or the Guarantor breaches or fails to maintain any one or more of the financial covenants as set out in Clause 2.2 above.

(n) Change of Ownership/ Change of Control

- (i) The Company, the Guarantor or any other person approves of any transaction or takes any corporate or other action which will result in a Change in Control of the Company without the prior written consultation and consent of the Debenture Holder(s) and the Debenture Trustee;
- (ii) The Guarantor ceases or takes steps to cease Control of the Company and/ or the Guarantor ceases or takes steps to dilute its legal and/ or beneficial ownership in the Company below 95% (Ninety Five Percent) of the share capital of the Company at any point of time until the Maturity Date, without the prior written consent of the Debenture Trustee (acting on the instruction of the Majority Debenture Holder(s)).

(o) Foreign Exchange Laws

If any:

- (i) foreign currency exchange law or currency control law is enacted or introduced, or any national, supranational, regional or local government or governmental, administrative, fiscal, judicial, or government-owned authority, agency, body, commission, tribunal, or entity of the country, or the central bank (or anybody that exercises the functions of a central bank), declares any general moratorium or payment delay, that (in the opinion of Initial Debenture Holder) has or is reasonably likely to have the

effect of prohibiting or restricting or delaying any payment that the Company and/or the Guarantor is required to make under the Transaction Documents; or

- (ii) other event or circumstance occurs that directly or indirectly prevents the Company or the Initial Debenture Holder, from converting Indian Rupees to USD or from transferring repayment amounts outside India; or
- (iii) foreign exchange law is amended, enacted or introduced or is reasonably likely to be amended, enacted or introduced in the Republic of India that (in the opinion of the Majority Debenture Holder(s)) has, or is reasonably likely to have the effect of prohibiting, or restricting or delaying in any material respect, any payment that the Company and/or the Guarantor is required to make, pursuant to the terms of any of the Transaction Documents or is materially prejudicial to the interests of any Party under or in connection with any of the Transaction Documents.

2.5.2 Consequences of Events of Default

- (a) On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holder(s), (a) upon the expiry of the cure period provided to the Company, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall, if so directed by the Majority Debenture Holder(s), in addition to the consequences set out in Clause 1.8.2 above, also have the right to:
 - (i) declare, by written notice, that all or part of the Secured Obligations be immediately due and payable, whereupon they shall become immediately due and payable within 2 (Two) Business Days of receipt of such written notice in this regard by the Company from the Debenture Trustee;
 - (ii) invoke the Guarantee and require the Guarantor to make payment of all the required Payments;
 - (iii) exercise any other right that the Debenture Trustee and/ or the Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.
- (b) Until the happening of any of the Event(s) of Default above, the Debenture Trustee shall not be, in any manner required, bound or concerned to interfere with the management of the affairs of the Company and/or the Guarantor or its business thereof. The Debenture Trustee shall, on being informed by the Company and/or the Guarantor of the happening of any of the Event(s) of Default set out above, or upon the happening of any of such Event(s) of Default coming to its notice, forthwith give written notice of the same to the Debenture Holder(s).
- (c) The Parties hereby agree and undertake that, notwithstanding anything to the contrary contained in this Deed and the other Transaction Documents in the event of any failure of the Company and/or the Guarantor, to make Payments in respect of the Debentures on the relevant Due Dates, such failure shall automatically lead to an Event of Default without requiring any further act, deed or thing being done by the Debenture Trustee and/or the Debenture Holder(s), and the Debenture Trustee and the Debenture Holder(s) shall be entitled to exercise their respective rights against the Company and/or the Guarantor, available to them under the Transaction Documents and under Applicable Law, immediately upon the occurrence of such breach.

- (d) It is hereby expressly clarified that all expenses incurred by Debenture Trustee/ Debenture Holder(s), including in connection with: (i) preservation or enforcement of the Security; and (ii) collection of amounts due under this Deed and the other Transaction Documents, shall be borne by the Company.

2.6. POWER OF DEBENTURE TRUSTEE TO DELEGATE

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

2.7. POWER OF DEBENTURE TRUSTEE TO EMPLOY AGENTS

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

2.8. DEBENTURE TRUSTEE MAY CONTRACT WITH COMPANY

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

2.9. LIABILITY OF DEBENTURE TRUSTEE

Nothing contained in this Deed or the other Transaction Documents shall exempt the Debenture Trustee from or indemnify the Debenture Trustee against any liability for breach of trust or any liability whether by virtue of any rule or Applicable Law or otherwise would attach to the Debenture Trustee in respect of any fraud, negligence, wilful default, misconduct or breach of trust which they may be guilty of in relation to their duties hereunder.

2.10. APPOINTMENT OF DEBENTURE TRUSTEE AS ATTORNEY OF THE COMPANY

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 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 given to the Debenture Holder(s) 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 Person appointed by them.

2.11. WAIVER

(a) No Implied Waiver or Impairment

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

(b) Express Waiver

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

2.12. OTHER REMEDIES

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

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

2.13. COSTS AND EXPENSES

All costs, charges and expenses (including traveling and other allowances and taxes, duties, costs, legal expenses, stamp duty expenses) incurred by the Debenture Holder(s) and/or the Debenture Trustee in any way, arising out of or related to *inter alia* the Debentures including but not limited to:

- (a) the issuance of the Debentures (including but not limited to any amounts payable under Applicable Law as stamp duty on the issuance of the Debentures); or
- (b) creation of the Security (including but not limited to any amounts payable under Applicable Law such as stamp duty and registration charges in relation thereto); or
- (c) towards protection of Debenture Holder(s)' interests; or
- (d) the negotiation, preparation, printing, filing and execution of Transaction Documents or other writings executed in relation to the Issue; or

- (e) any amendment of the Transaction Documents or other writings executed in relation to the Issue; or
- (f) any Redeployment Costs or costs in relation to the termination, close-out or amendments to the Currency Hedging Arrangements (either partially or in full) or break costs pursuant to lapse of any Payment required to be made by the Company on any of the Due Dates hereunder and the subsequent non-scheduled payment of such amounts; or
- (g) the monitoring of the Loans or the Security or the proceeds of the Issue; or
- (h) investigating any potential Event of Default or Event of Default; or
- (i) the enforcement of the rights of the Debenture Holder(s) or enforcement of the Security, including without limitation, the Transaction Documents being brought into a different State for the purposes of enforcement of rights of the Debenture Holder(s) or enforcement of the Security; or
- (j) environmental and social monitoring (including consultancy costs and any travel expenses) under this Deed; or
- (k) the role of the Debenture Trustee in respect of the Debentures,

shall be solely borne by the Company and the Company shall reimburse to the Debenture Holder(s) and/or Debenture Trustee (upon a demand being made in this regard) any amounts expended by the Debenture Holder(s) and/or the Debenture Trustee within 5 (Five) Business Days of a demand being raised by the Debenture Trustee and/ or the Debenture Holder(s).

2.14. INDEMNITY

Subject to Applicable Law and receipt of any approval required from the RBI, the Company shall, within 5 (Five) Business Days of demand (accompanied by documentary evidence of the amount of such claim), indemnify the Debenture Holder(s) against any cost, loss or liability (including any termination, close out or other costs of any nature whatsoever under or in connection with the Currency Hedging Arrangements) incurred by the Debenture Holder as a result of:

- (a) any termination or early redemption of the Debentures or any part thereof or close out of all or part of any Currency Hedging Arrangement (borne in INR, Euro or Dollars) or the Initial Debenture Holder incurring any Redeployment Costs, as a result of the occurrence of any Event of Default or a premature redemption in terms of Clause 1.2.9(c);
- (b) any Event of Default under this Deed; or
- (c) a failure by the Company to pay any amount due under a Transaction Document constituting (or resulting from) an Event of Default pursuant to the terms of the Transaction Documents.

2.15. CHANGE OF TAX DEDUCTED AT SOURCE

- (a) If the applicable rate of tax deducted at source is modified and results in a reduction of the net interest received by the Debenture Holder(s), the Company must give written notice to the Debenture Holder(s) as soon as it becomes aware of such change.
- (b) If a Tax Deduction required by Applicable Law is to be made by the Company to the initial Debenture Holder(s), the amount of the payment due from the Company shall be increased to an amount which (after making any

Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

- (c) If a Tax Deduction required by Applicable Law is to be made by the Company to subsequent Debenture Holder(s) under the situation where (i) no Event of Default exists, the benefit of Tax Deduction shall be extended to the subsequent Debenture Holder(s) subject to the consent of the Company; (ii) however, if an Event of Default exists, then no prior consent of the Company shall be required to extend the benefit of the Tax Deduction to such subsequent Debenture Holder(s).

2.16. ACKNOWLEDGEMENT AND CONSENT TO BAIL-IN OF A PARTY

Notwithstanding any other term of any Transaction Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Transaction Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Transaction Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

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3. PART C: DEFINITIONS AND CONSTRUCTION

3.1 Definitions

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

"Act" shall mean the Companies Act, 2013, along with the rules and regulations made thereunder and the notifications, circulars and orders issued in relation thereto, as amended from time to time;

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Allotment Period" shall have the meaning assigned to the term in Clause 1.2.1(b) hereto;

"Applicable Law" includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof;

"Applicant" means a person who has submitted a completed Application Form to the Company;

"Application Form" means the application form in the Private Placement Offer Cum Application Letter;

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

"Application Money Repayment Period" shall have the meaning assigned to the term in Clause 1.2.1(b) hereto;

"Appraisal Fee" means a fee of USD 10,000 (United States Dollars Ten Thousand) payable upon signing of the appraisal letter;

"Article 55 BRRD" means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"Asset Cover" shall have the meaning assigned to the term in the Deed of Hypothecation;

"Associate" shall have the same meaning as assigned to the term in Section 2(6) of the Act, as may be amended from time to time;

"Bail-In Action" means the exercise of any Write-down and Conversion Powers.

"Bail-In Legislation" means in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time

"Beneficial Owner(s)" means the Debenture Holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository;

"Bertelsmann" means Bertelsmann Nederland B.V., a company incorporated under the laws of The Kingdom of the Netherlands with its corporate office at Amsterdamsestraatweg 28, 1391 Abcoude, the Netherlands;

"Big 4" means the Indian affiliates of the big four audit firms being, i.e., Deloitte & Touche, KPMG, Price Waterhouse Coopers or Ernst & Young;

"Business Day" means a day (other than a public holiday, Saturday or a Sunday) on which banks are normally open for business in Mumbai, India, London, the United Kingdom, Amsterdam, the Netherlands and New York, the United States of America and "Business Days" shall be construed accordingly.

"Capital Adequacy Ratio" means the result obtained by dividing:

- (a) Total Capital; by
- (b) Risk Weighted Assets.

"Cash Collateral" means cash on account deposited by third parties as collateral for any Non-Performing Loans or a Restructured Asset;

"CDSL" shall have the meaning as assigned to the term in Recital E above;

"CERSAI" means the Central Registry of Securitisation Asset Reconstruction and Security Interest;

"Control" as to any Person shall mean the power or right to, directly or indirectly:

- (i) direct or cause the direction of at least 95% (Ninety Five Percent) of the maximum number of votes that might be cast at a general meeting of such Person; or
- (ii) direct or cause the direction of the management and policies of such Person; or
- (iii) direct or cause the direction of the policy decisions exercisable by that Person; or
- (iv) appoint and/ or remove the majority of the directors on the board of directors of that Person, by virtue of ownership of voting securities or partnership interests, by contract or otherwise

and the terms **"controlling"** and **"controlled"** and **"Change in Control"** shall be correspondingly construed;

"Client" means each client of the Company;

"Client Loan" means each loan made by the Company as a lender;

"Client Protection Claim" means any claim, proceeding or investigation by a Person in respect of any Client Protection Laws;

"Client Protection Laws" means any law, rules or regulations (including the Master Directions on Non-Banking Financial Company–Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the RBI Master Directions on Information Technology Framework for the NBFC Sector, 2017, the Fair Practices Code as prescribed by the RBI, the RBI Master Directions on Know Your Customer (KYC) Direction, 2016, the Consumer Protection Act, 2019, microfinance & branchless banking laws and regulations, as may be amended/ updated/ supplemented from time to time) applicable in the Republic of India concerning consumer protection matters applicable for Company as a non-banking finance company;

"Client Protection Principles" means the Client Protection Principles as set forth by the SMART Campaign, as may be updated from time to time, and currently made available at <http://www.smartcampaign.org/about-the-campaign/smart-microfinance-and-the-client-protection-principles> as applicable for the Company;

The term 'SMART Campaign' used herein refers to the global campaign to promote client protection and raise (microfinance) industry standards of best practise by providing tools and resources to enable the (microfinance) industry to deliver transparent, respectful, and prudent financial services. Smart Campaign is headquartered at The Centre for Financial Inclusion (Accion International) 1401 New York Avenue, Suite 500, Washington, DC 20005, United States of America.

"Client Protection Requirements" means all Client Protection Laws and Client Protection Principles;

"Collective Dismissal" means, in relation to the Company, the termination, for economic or operational reasons, by the Company of the employment of more than 10% of the total permanent workforce of the Company, or more than 30 full time equivalent positions of the Company within a period of 6 months, it being understood that individual dismissals on grounds of capability or conduct shall be excluded for the purpose of this definition;

"Company" shall mean Lendingkart Finance Limited;

"Company Accounts" shall have the meaning assigned to the term in Clause 1.2.14 hereto;

"Conditions Precedent" shall have the meaning assigned to the term in Clause 1.2.2 **Error! Reference source not found.** hereto;

"Conditions Subsequent" shall have the meaning assigned to the term in Clause **Error! Reference source not found.** **Error! Reference source not found.** hereto;

"Controlled Entity" shall mean, with respect to the Company, any other Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company. For the purposes of this definition, **"control"** (including, with correlative meanings, the terms **"controlling"**, **"controlled by"** and **"under common control with"**), as applied to the Company, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Company, whether through ownership of voting securities or by contract or otherwise;

"Corrupt Practice" means:

- (a) the promising, offering, giving, making, authorising, insisting on, receiving, accepting or soliciting, directly or indirectly, of any illegal or undue payment or advantage of any nature, to or by any Person, with the intention to, or the knowledge that such payment or advantage may, directly or indirectly influence, whether as inducement or reward, the actions or decisions of any Person, including causing any Person to refrain from any action or decision; or
- (b) any action or omission which is prohibited in any applicable jurisdiction by law or regulation relating to bribery or corruption;

"Cost to Income Ratio" means for any Relevant Period, the result obtained by dividing: (a) Operational Costs in respect of that Relevant Period; by (b) Operational Income in respect of that Relevant Period;

"Coupon" means the coupon payable on the Debentures on the Coupon Payment Dates, at the Coupon Rate;

"Coupon Payment Date" means the payment dates as specified in Clause 1.2.10(c) to this Deed;

"Coupon Rate" shall mean 13.24% (Thirteen Decimal Point Two Four Percent) per annum, payable semi-annually;

"Covid-19 Restructured Assets" shall mean such Restructured Assets that have been or will be restructured solely pursuant to and in accordance with the RBI Covid-19 Guidelines upto the period ending on March 31, 2021;

"CP Compliance Certificate" shall have the meaning as assigned to the term in Clause 1.2.2(b) hereto;

"Currency Hedging Arrangements" means any currency and/or interest hedging agreements entered into by the Initial Debenture Holder for the purposes of hedging its/ their currency and/or interest exposure under or in connection with this Deed, including any replacement or additional such agreement entered into by them at any time;

"Debentures" shall have the meaning assigned to the term in Recital A above;

"Debenture Trustee" shall mean Catalyst Trusteeship Limited;

"Debenture Holder(s)" means Initial Debenture Holders for the time being, and for the subsequent Debenture Holder(s), each of whom fulfils the following requirements: -

- (a) Persons who are registered as such as Beneficial Owners; and
- (b) Persons who are registered as debenture holder(s) in the Register of Debenture Holder(s);

(and shall include registered transferees of the Debentures from time to time with the Company and the Depository) and in the event of any inconsistency between sub paragraph (i) and (ii) above, sub paragraph (i) shall prevail.

"Debentures Subscription Agreement" shall mean an agreement dated March 17, 2021, entered between the Company, the Initial Debenture Holder, the Debenture Trustee and the Guarantor;

"Debentures Subscription Amount" has the meaning given to it in Clause 1.2.1 above;

"Debenture Trustee Consent Letter" shall mean the consent letter dated February 26, 2021 (bearing reference number CL/MUM/20-21/DEB/1042) issued by the Debenture Trustee agreeing to act as the debenture trustee for the benefit of the Debenture Holder(s) and to hold the Security created/ to be created by the Company in favour of the Debenture Trustee to secure the payment and other obligations of the Company in respect of the issuance of the Debentures, for the benefit of the Debenture Holder(s);

"Deed" shall mean this debenture trust deed executed by and between the Company and the Debenture Trustee;

"Deed of Guarantee" shall mean the deed of guarantee, dated March 17, 2021 executed by the Guarantor, in favour of the Debenture Trustee, to secure the Secured Obligations of the Company in relation to the Debentures;

"Deed of Hypothecation" means the deed of hypothecation to be executed on or prior to the Deemed Date of Allotment by the Company, in favour of the Debenture Trustee to evidence the creation of a first ranking, exclusive and continuing charge by the Company in favour of the Debenture Trustee for the benefit of the Debenture Holder(s) over the Secured Property, both present and future;

"Deemed Date of Allotment" means March 24, 2021 being the date on which the Debentures have been allotted to the Debenture Holder(s);

"Default Interest" shall have the meaning assigned to the term in Clause 1.2.11(a) to this Deed;

"Depository" means the depository with which the Company has made arrangements for dematerializing the Debentures, being CDSL and NSDL;

"Depositories Act" shall have the meaning as assigned to the term in Clause 1 of **Schedule XII** to this Deed;

"Disclosure Policy" means the policy of the Initial Debenture Holder to disclose through publication on its website the following details of the subject of this Deed:

- (a) client name

- (b) client's website (if available)
- (c) origin (region and country)
- (d) sector
- (e) signing date (date of the main transaction document)
- (f) total FMO financing
- (g) fund (FMO-A/IDF/MASSIF/FOM EL&I/OS/AEF/CD)
- (h) environmental & social category (A, B+, B, C)
- (i) project description, including but not limited to:
 - i. who is FMO's client?
 - ii. what is the funding objective (type of activity)?
 - iii. why does FMO fund this project?
- (j) date and amount of disbursements by FMO
- (k) date of final disbursement by FMO
- (l) full repayment date

"Due Date" means the due date in respect of which any interest, principal, or any other amounts are payable under this Deed or any other Transaction Document;

"ECS" shall have the meaning as assigned to the term in Clause 1.2.14(c) hereto;

"EEA Member Country" means any member state of the European Union, Iceland, Liechtenstein and Norway.

"Effective Date" means March 22, 2021 being the date on which this Deed shall come into effect;

"Eligible Client" means each client in the Republic of India that (i) uses the Micro Sub-Loan(s) granted by the Company to it for the purpose of its business;(ii) is not directly or indirectly own by any Governmental Authority; and (iii) is not engaged in any excluded activity as listed in **Schedule V** hereto;

"Environmental and Social Action Plan" means the environmental and social action plan agreed upon between the Debenture Holders and the Company, defining actions, responsibilities, budgets, deliverables, compliance indicators and a timeframe for the measures required to remedy the known non-compliances in the Environmental and Social Requirements in the business activities of the Company, and for any other measure agreed upon, substantially in the form set out in **Schedule XV** as amended from time to time;

"Environmental and Social Claim" shall mean any claim, proceeding or investigation by a Person in respect of an Environmental Law, a Social Law or an environmental and social agreement between the Company and another Person;

"Environmental and Social Coordinator" means the suitably trained operational officer of the Company, responsible for the delivery of the Environmental and Social Action Plan.

"Environmental and Social Monitoring Report" means the format for the Company's annual reporting in the form as set out in **Schedule VIII**. Until the completion of the Environmental and Social Action Plan satisfactory to the Debenture Holders such report shall also include (a) a report on the status of the implementation of the Environmental and Social Action Plan and (b) a schedule of the next following steps to be carried out;

"Environmental and Social Permit" means any environmental and/or social permit, license, consent, approval or other authorisation required by (i) the Company or any of its Subsidiaries or (ii) a Client to conduct its business;

"Environmental and Social Requirements" means the (i) Environmental Law, (ii) Social Law, (iii) Environmental and Social Permits, (iv) ILO Fundamental Conventions and (v) with respect to the Company IFC Performance Standard 2

(Labor and Working Conditions). Where more than one of the foregoing standards applies, "Environmental and Social Requirements" shall refer to the most stringent applicable standard.

"Environmental Law" means any law, rule or regulation (including international treaty obligations) concerning environmental matters and natural resource management applicable in (i) the jurisdiction of the Republic of India or (ii) in respect of any Client, any country in which that Client carries out business activities financed by the Company;

"EU Bail-In Legislation Schedule" means the document described as such and published by the Loan Market Association (or any successor person) from time to time;

"External Communication and Grievance Procedure" means the simple procedure for external communications and grievance management that includes methods to (i) receive and register external communications and grievances from the public; (ii) screen and assess the issues raised and determine how to address them; (iii) provide, track, and document responses, if any; and (iv) adjust the management program, as appropriate;

"FBIL" means Financial Benchmark India Private Limited;

"Final Redemption Date" means March 24, 2025;

"Final Settlement Date" shall mean the later of the date on which the Payments have been irrevocably discharged in full and/or the Debentures have been redeemed by the Company and/or the Guarantor, as the case may be, in full, in accordance with the terms of the Transaction Documents;

"Financial Quarter" means the period commencing on the day after one Quarter Date and ending on the next Quarter Date;

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

- (a) moneys borrowed;
- (b) any amount availed of by acceptance of any credit facility;
- (c) any amount raised pursuant to the issuance of any notes, bonds, debentures, loan stock or any other similar securities or instruments;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the generally accepted principles of accounting in India, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables sold in the ordinary course of business and 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 price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) 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;
- (i) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; or
- (j) any put option, guarantees, keep fit letter(s), letter of comfort, etc by whatever name called, which gives or may give rise to any financial obligation(s);
- (k) any preference shares (excluding any compulsorily convertible preference shares);
- (l) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xi) above;
- (m) Notwithstanding the items in paragraphs (i) to (xii) above, all obligations of any Person from time to time (whether present or future, actual or contingent, as principal or surety or otherwise) for the payment or

repayment of money.

"Financial Year" means the financial year of the Company used for the purposes of accounting;

"First Redemption Date" shall mean March 24, 2024;

"Fraudulent Practice" means any action or omission including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial benefit or to avoid an obligation;

"Front End Fee" means a fee of 1% (one percent) of the Debentures Subscription Amount (in INR as on the Deemed Date of Allotment);

"Fullerton" means Fullerton Financial Private Limited, a company incorporated under the laws of Singapore with its registered office at 5 Shenton Way #18-56, UIC Building, Singapore 068808;

"Fund" means any fund advised and/or co-managed or managed by the Initial Debenture Holder or FMO Investment Management B.V.

"Fund Investor" means Bertelsmann, Mayfield, Saama and Fullerton, individually, and they shall be collectively referred to as **"Fund Investors"**;

"Governmental Authority" shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by applicable law and any court, tribunal or other judicial or quasi-judicial body, and shall include, without limitation, a stock exchange and any regulatory body;

"Group Entity" shall mean, such Persons, which are related to the Company, through any of the following relationships i.e. subsidiary-parent, joint venture, Associate or an Affiliate, from time to time, and **"Group Entities"** shall be construed to mean two or more of such entities, collectively;

"Guarantee" shall mean the irrevocable and unconditional guarantee provided by the Guarantor to secure the Secured Obligations of the Company, in relation to the Issue, in the manner and upon the terms and conditions provided for in the Deed of Guarantee;

"Guarantor" shall mean Lendingkart Technologies Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at A-602, 6th Floor, The First, The First Avenue Road, Behind Keshavbaug Party Plot, Vastrapur, Ahmedabad, 380 015, Gujarat, India;

"Guarantor's Total Assets" means in relation to the Guarantor, the aggregate of its on-balance sheet assets in accordance with IND AS;

"Holding Company" shall have the meaning as ascribed to the term under Section 2(46) the Act, as amended from time to time;

"Human Resources Policy" means the policy and associated procedures of the Company to ensure its and its contractors' compliance with IFC Performance Standard 2, the ILO Fundamental Conventions defining all the obligations and requirements undertaken by the Company an in-house integration of social issues such as but not limited to working conditions, human rights, workers grievances and retrenchment.

"IEPF" shall have the meaning as assigned to the term in Clause 1.7.2(d) hereto;

"IFC" means the International Finance Corporation, an international organization established in Washington, DC, USA, by articles of agreement among its member countries;

"IFC Performance Standards" means the framework on IFC's Performance Standards (PS) on Social and Environmental Sustainability (including the technical reference documents known as World Bank Group Environmental, Health, and Safety Guidelines);

(a) all IFC Performance Standards (2012), and

(b) all World Bank Group Environmental, Health, and Safety Guidelines

Please refer to www.ifc.org.

"ILO" means the International Labour Organisation, the tripartite United Nations agency which brings together governments, employers and workers of its member states in common action to promote decent work throughout the world;

"ILO Fundamental Conventions" means the requirements as applicable to the Company on child and forced labour, discrimination and freedom of association and collective bargaining, stemming from the ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and covering: (i) freedom of association and the right to collective bargaining (Conventions 87 and 98), (ii) the elimination of forced and compulsory labour (Conventions 29 and 105), (iii) the abolition of child labour (Conventions 138 and 182) and (iv) the elimination of discrimination in the workplace (Conventions 100 and 111). Please refer to www.ilo.org

"Illicit Origin" means any origin which is illicit, criminal or fraudulent, including without limitation, corruption, Terrorist Financing, and tax evasion;

"IND AS" shall mean the Indian Accounting Standards as prescribed by the relevant Governmental Authority, from time to time;

"Independent Complaints Mechanism" means the independent grievance mechanism for investments and financings supported by Initial Debenture Holder as may be updated from time to time, and currently made available at <https://www.fmo.nl/independent-complaints-mechanism>.

"Independent Expert Panel" means the independent external panel that deals with complaints lodged under the Independent Complaints Mechanism.

"Independent Expert Panel's Role" means (a) to respond to complaints under the Independent Complaints Mechanism by persons who have been or are likely to be affected by the impact of the Initial Debenture Holder's investments and financings (b) to review the Initial Debenture Holder's performance, particularly in relation to investments and financings, and to assess compliance with the Initial Debenture Holder's policies, guidelines, procedures and systems.

"Information Utility" shall mean the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017;

"Initial Debenture Holder" or **"FMO"** means Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.;

"Issue" shall have the meaning assigned to the term in Recital A above;

"Issue Size" shall mean Rs. 108,00,00,000/- (Rupees One Hundred and Eight Crores Only);

"Joint Venture" shall have the meaning assigned to the term in Clause 2.4.3 (ii) hereto;

“Loan Loss Reserves” means the total reserve established to cover potential losses in the Company’s outstanding loans or other credit facilities;

“Majority Debenture Holder(s)” means Debenture Holder(s) holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the Debentures for the time being outstanding;

“Material Adverse Effect” means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could cause a material and adverse effect on:

- (a) the business operations, property, condition (financial, environmental, social or otherwise) or prospects of the Company and/or the Guarantor; and/ or
- (b) the ability of the Company and/or the Guarantor to perform its obligations under the Transaction Documents; and/ or
- (c) the validity or enforceability of, or the effectiveness or ranking of any Security granted or purported to be granted pursuant to any Transaction Document; and/ or
- (d) the validity or enforceability of, or the effectiveness of any of the Transaction Documents (including the ability of any party to enforce any of its remedies or exercise any power thereunder);

“Maturity Date” means the date falling at the expiry of 48 (Forty Eight) months from the Deemed Date of Allotment being March 24, 2025, or, such other date on which the final payment of the Redemption Amount of the Debentures becomes due and payable, whether at such stated maturity date, by declaration of acceleration, or otherwise;

“Mayfield” means Mayfield India II Limited, a company incorporated under the laws of Mauritius, with its registered office at 4th Floor, Ebene Heights, Ebene, Mauritius;

“Meetings” shall have the meaning as assigned to the term in Clause 1 **Schedule IV** to this Deed;

“Micro-Sub Loans” shall have the meaning assigned to such term in Clause 2 of this Deed;

“Money Laundering Activities” means the process of moving funds of Illicit Origin through a cycle of transformation in order to create the end appearance of legitimately earned funds. The process of moving funds consists of providing, receiving or assisting in transfer of funds;

“Month” shall mean a calendar month;

“NEFT” shall have the meaning as assigned to the term in Clause 1.2.14(c) of this Deed;

“Nominee Director” shall have the meaning as assigned to the term in Clause 1.8.3 of this Deed;

“Non-Performing Loans” means the aggregate of all loans, bonds and other credit facilities provided by the Company where one or more repayment instalments or interest payments are overdue by 90 (Ninety) days or more, or such other shorter duration as may be prescribed under the prudential norms applicable to non-banking financial companies in the Republic of India;

“Non-Performing Loans Ratio” means the aggregate of all loans, bonds and other credit facilities provided by the Company where one or more repayment instalments or interest payments are overdue by 90 (Ninety) days or more, or such other shorter duration as may be prescribed under the prudential norms applicable to non-banking financial companies in the Republic of India; divided by Total Loans;

“NSDL” shall have meaning as assigned to the term in Recital E above;

"Objectionable Practice" means any Corrupt Practice, Fraudulent Practice, Money Laundering Activities, Obstructive Practice, Sanctionable Practice or Terrorist Financing;

"Obstructive Practice" means (i) deliberately destroying, falsifying, altering or concealing evidence material to the assessment or the making of false statements to those performing the assessment, in order to materially impede an assessment of allegations of a Corrupt Practice, Fraudulent Practice, Money Laundering Activities, or Terrorist Financing and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the assessment or from pursuing the assessment, or (ii) acts intended to materially impede the exercise of the Debenture Holder(s)'s access to contractually required information in connection with an assessment of allegations of a Corrupt Practice, Fraudulent Practice, Money Laundering Activities, or Terrorist Financing;

"Open Assets Exposure Ratio" means the total principal balance of (a) Non-Performing Loans; plus (b) Restructured Assets (less Covid-19 Restructured Assets); less (c) Loan Loss Reserve; less (d) Cash Collateral; and dividing that by the Tier 1 Capital;

"Operational Costs" means in respect of any Relevant Period, the following items in respect of that Relevant Period. The Company's:

- (i) personnel costs; plus
- (ii) administrative costs; plus
- (iii) overhead costs; plus
- (iv) depreciation; plus

any other operational costs in accordance with the acceptable accounting standards but excluding any loan loss provisions or loan loss impairment charges;

"Operational Income" means in respect of any Relevant Period, the following items in respect of that Relevant Period being the Company's:

- (a) interest income; plus
- (b) its other operational income including interest earned on deposits; less
- (c) the Company's interest costs;
- (d) minus any loss and plus any gain reported on the Company's income statement resulting from the change in value of a foreign currency asset or liability;

"Payments" means all payments to be made by the Company in relation to the Issue including payment of Coupon, Redemption Amount, Default Interest, remuneration of the Debenture Trustee, and all fees, costs, charges, expenses and other monies;

"Private Placement Offer Cum Application Letter" shall have the meaning assigned to the term in Recital B;

"Project" means a development in any sector at an identified location, which includes green field development, and/or expansion and/or upgrade of an existing operation;

"Project Finance" means a method of financing in which the lender looks primarily to the revenues generated by a single Project, both as the source of repayment and as security for the exposure;

"Project Related Corporate Loans" means corporate loans made to a business entity where the use of proceeds is related to a single Project in each of the following ways: (i) the lenders looks primarily to the revenues generated by the Project as the source of repayment and where security exists in form of a corporate guarantee or parent guarantee; and/or (ii) documentation for the loan indicates that the majority of the proceeds of the total loan are directed to the Project;

"Purpose" means the purpose for which the Company is issuing the Debentures as more particularly detailed in Clause 2 of this Deed;

"Quarter Date" means each of 31 March, 30 June, 30 September and 31 December;

"RBI" means the Reserve Bank of India;

"RBI Covid-19 Guidelines" shall mean the RBI notifications titled (i) "COVID-19- Regulatory Package" dated March 27, 2020, (ii) "COVID19 Regulatory Package - Asset Classification and Provisioning" dated April 17, 2020, (iii) "COVID-19- Regulatory Package" dated May 23, 2020 (iv) "Resolution Framework for COVID-19-related Stress" dated August 6, 2020 (v) "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances" dated August 06, 2020 (vi) "Resolution Framework for COVID-19-related Stress – Financial Parameters" dated September 07, 2020 and other circulars, notifications and guidelines as may be published by RBI from time to time in relation to the restructuring of loans by the Company to its clients owing to the Covid-19 pandemic;

"Record Date" shall mean in relation to any date on which any payments are scheduled to be made by the Company to the Debenture Holder(s), the day falling 15 (Fifteen) calendar days prior to such date;

"Redemption Amount" shall have the meaning specified in Clause 1.2.9(a) of this Deed;

"Redemption Dates" means, collectively, the First Redemption Date, the Second Redemption Date, the Final Redemption Date and **"Redemption Date"** shall be construed accordingly;

"Redeployment Costs" means, in case of any prepayment/premature redemption, the amount by which:

- (a) the Coupon which (as determined by the Initial Debenture Holder) the Initial Debenture Holder would have received from the date of prepayment/premature redemption to the applicable Redemption Date, if the amount prepaid/prematurely redeemed had been paid on the applicable Redemption Date;
exceeds:
- (b) the amount which (as determined by the Initial Debenture Holder) the Initial Debenture Holder is able to obtain by placing the Application Money with the designated bank account in India opened for the purpose of the Issue for a period commencing from the date of prepayment/premature redemption and expiring on the applicable Redemption Date.

"Register of Debenture Holder(s)" means the register maintained by the Company containing the name(s) of the Debenture Holder(s) in the form and manner as prescribed under the Companies (Management and Administration Rules), 2014, which register shall be maintained at the registered office of the Company;

"Relevant Period" means each period from the first day of each financial year of the Company to the last day of each Financial Quarter of the Company's financial year;

"Repay" shall include **"Redemption"** and vice-versa and **"repaid"**, **"repayable"**, **"repayment"**, **"redeemed"**, **"redeemable"** and **"redemption"** shall be construed accordingly;

"Resolution Authority" means anybody which has authority to exercise any Write-down and Conversion Powers._

"Restructured Assets" means the aggregate of all loans, acquired, investment securities, bonds, leases and other credit facilities provided by the Company that are not classified as Non-Performing Loans but that have been restructured by amending or rescheduling any of the (re)payment terms as agreed between the Company and its Clients under the relevant agreements due to a deterioration of the financial condition or repayment capacity of these Clients; with the date of restructuring or rescheduling falling less than or equal to one (1) year prior to the date of computation;

"Risk Weighted Assets" the aggregate of on-balance sheet and off-balance sheet assets, weighted for credit risk, in accordance with the provisions of the applicable RBI regulations with respect to the Company;

"Rs." or **"Rupees"** means Indian rupees, the lawful currency of India;

"RTGS" shall have the meaning as assigned to the term in Clause 1.2.14(c) of this Deed;

"Saama" means Saama Capital III Limited, a corporation incorporated under the laws of Mauritius with its registered office at 4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius;

"Sanctionable Practice" means any business activity or transaction with any entity, group or individual which: (a) at or during the time of such business activity or transaction is (i) included on any of the lists of sanctioned entities, individuals or countries published and updated from time to time by the Office of Foreign Assets Control of the US Department of Treasury (OFAC), the European Union, the United Kingdom, or the United Nations, (ii) is located or incorporated in a country which is subject to comprehensive country-wide or territory wide sanctions maintained by OFAC, the European Union, the United Kingdom, or the United Nations or (iii) is otherwise the subject or target of sanctions imposed by OFAC, the European Union, the United Kingdom or the United Nations; or (b) would subject the Debenture Holder(s) and/or their participants to a material risk of a sanctions designation;

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

"Second Redemption Date" means September 24, 2024;

"Secured Obligations" shall mean all obligations at any time due, owing or incurred by the Company to the Debenture Trustee and the Debenture Holder(s) in respect of the Debentures and shall include the obligation to redeem the Debentures in terms thereof together with the Coupon accrued thereon, Default Interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Company in respect of the Debentures under the Transaction Documents;

"Secured Property" shall have the meaning assigned to the term in the Deed of Hypothecation;

"Security" means the security created/ to be created in favour of the Debenture Trustee to secure this Issue, details of which are provided for in Clause 1.4.1 hereto;

"Security Documents" shall mean this Deed, the Deed of Hypothecation, necessary powers of attorney, the Deed of Guarantee and all such other documents as may be required for perfecting the Security in favour of the Debenture Trustee for the benefit of the Debenture Holder(s) (and their successors and assigns from time to time);

"Single Client Group Exposure" shall mean the aggregate amount of loans and any other credit facilities or equity investments made by the Company to a single Client or Client Group;

For the purposes of this definition, the term 'Client Group' means, collectively, the Client and all Persons which are Affiliates of such Client of the Company.

"Single Client Group Exposure Ratio" means, for any Relevant Period, the result obtained by dividing (a) any Single Client Group Exposure as at the last day of that Relevant Period, by Tier 1 Capital as at the last day of that Relevant Period;

“Social Law” means any law, rule or regulation (including international treaty obligations) applicable in the Republic of India and, in respect of any Client, any country in which that Client carries out business activities financed by the Company concerning (i) labour, (ii) social security, (iii) the regulation of industrial relations (between government, employers and employees), (iv) the protection of occupational as well as public health and safety, (v) the regulation of public participation, (vi) the protection and regulation of ownership of land rights (both formal and traditional), immovable goods and intellectual and cultural property rights, (vii) the protection and empowerment of indigenous peoples or ethnic groups, (viii) the protection, restoration and promotion of cultural heritage, (ix) all other laws, rules and regulations providing for the protection of employees and citizens;

“Solvency Ratio” means in relation to the Guarantor, for any Relevant Period, the result obtained by dividing: (a) Guarantor’s shareholder’s funds as appearing on its balance sheet by (b) Guarantor’s Total Assets;

“Special Resolution” shall have the meaning set forth in Clause 24 of **Schedule IV** hereto;

“Subsidiaries” shall have the same meaning as assigned to the term in Section 2 (87) of the Act, as may be amended from time to time and for the purposes herein, shall be deemed to refer to the Subsidiaries of the Company;

“Successor Trustee” shall have the same meaning as assigned to the term in Clause 1.1.3 hereto;

“Taxes” or **“Tax”** shall include any and all present or future, direct or indirect, claims for tax, levy, impost, duty, cess, statutory dues or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) including on gross receipts, sales, turn-over, value addition, use, consumption, property, service, income, franchise, capital, occupation, license, excise, documents (such as stamp duties) and customs and other taxes, duties, assessments, or fees, however imposed, withheld, levied, or assessed by any Government, but shall not include tax on the income of any Party;

“Tax Deduction” means a deduction or withholding for or on account of Tax from any Payment under a Transaction Document;

“Terrorist Financing” means financing terrorists, terrorist acts and terrorist organisations;

“Tier 1 Capital” shall have the meaning ascribed to it by RBI in the Non-Banking Financial Company – Systemically Important – Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time;

“Tier 2 Capital” shall have the meaning ascribed to it by RBI in the Non-Banking Financial Company – Systemically Important – Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time;

“Total Capital” means the total capital of the Company currently consisting of the aggregate of Tier 1 Capital and Tier 2 Capital;

“Total Loans” means the aggregate principal amount of all loans and other credit facilities provided by the Company;

“Transaction Documents” shall mean, collectively, the documents executed in relation to the issue of the Debentures and the creation of the Security and shall include the Trustee Agreement, the Deed of Hypothecation, the Deed of Guarantee, the Private Placement Offer Cum Application Letter, the Debentures Subscription Agreement, this Deed, and any other document that may be designated by the Debenture Trustee (acting on the instructions of the Debenture Holder(s)) as a Transaction Document;

"Trustee Agreement" means the trustee agreement entered into by and between the Company and the Debenture Trustee and dated March 17, 2021;

"UK Bail-In Legislation" means (to the extent that the United Kingdom is not an EEA Member Country which has implemented, or implements, Article 55 BRRD) Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

"Women Client" means such clients that are: (i) majority owned (>51%) by one or more women; or (ii) owned for >20% (more than Twenty Percent) by women and where a woman acts as a chief executive officer, chief operation officer, president and/or vice president and if such company has a board of directors, in which at least 30% (Thirty Percent) of such board of directors is comprised of women.

"World Bank Group" means the incorporation of five closely associated entities that work collaboratively toward poverty reduction: the World Bank (IBRD and IDA), and three other agencies, the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID).

"Write-down and Conversion Powers" means:

- a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and
- b) in relation to any UK Bail-In Legislation:
 - i. any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and
 - ii. any similar or analogous powers under that UK Bail-In Legislation.

3.2 Construction

3.2.1 Words denoting singular number only shall include plural number and vice-versa.

3.2.2 Words denoting one gender only shall include the other gender.

3.2.3 Headings and bold typeface are inserted/ used for convenience only and shall not affect the construction of this Deed.

3.2.4 References to the word "include" or "including" shall be construed without limitation.

3.2.5 Recitals of and schedules and annexures to this Deed shall form an integral part hereof.

3.2.6 All references in this Deed to any provision of any statute shall be deemed also to refer to the statute, modification or re-enactment thereof or any statutory rule, order or regulation made thereunder or under such re-enactment.

3.2.7 All references in this Deed to Schedules, Clauses, Sub-Clauses, Paragraphs or Sub-paragraphs shall be construed as references respectively to the Schedules, Clauses, Sub-clauses, Paragraphs and Sub-paragraphs of these presents.

- 3.2.8** The provisions contained in the Schedules hereunder written shall have effect in the manner as if they were specifically herein set forth and in the event of any inconsistency between the provisions contained in the Schedules and the operative part of this Deed, the provisions contained in the Schedules shall prevail.
- 3.2.9** “**Person**” shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term “Persons” shall be construed accordingly.
- 3.2.10** Unless the context otherwise requires, all references in this Deed, to the Debenture Trustee shall be deemed to refer to the Debenture Trustee (acting on behalf of, for the benefit of, and in trust for the Debenture Holder(s));
- 3.2.11** It is clarified that for the purposes of this Deed, the Debenture Trustee (acting in accordance with the Majority Debenture Holder(s) consent) after necessary consultations with the Company, shall determine what would constitute ‘ordinary course of business’ as the term appears in this Deed.
- 3.2.12** In the event of any disagreement between the Company and the Debenture Trustee regarding the materiality or reasonableness of any event under the Transaction Documents, the Debenture Trustee (acting on the instructions of the Majority Debenture Holder(s)) shall be entitled at their discretion, to determine such materiality or reasonableness.
- 3.2.13** In case of any conflict between the provisions of this Deed and any other Transaction Document, the provisions of this Deed shall prevail and override the provisions of that Transaction Document and the said Transaction Document shall forthwith be amended to make it consistent with the terms of this Deed;

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4. PART D: SCHEDULES AND ANNEXURES

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

SCHEDULE I

DEBENTURE HOLDER(S) AT THE TIME OF ISSUE

Name of Debenture Holder	Number of Debentures
Nederlandse Financierings- Maatschappij voor Ontwikkelingslanden N.V. (FMO)	1080 (One Thousand and Eighty)

SCHEDULE II

CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

Part I - Conditions Precedent

1. Company

- (a) A certified copy of the constitutional documents of the Company.
- (b) A certified copy of a resolution of the board of directors of the Company under Section 179 of the Act and the resolution of the borrowing committee of the Company:
 - (i) approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party and resolving that it will execute the Transaction Documents to which it is a party;
 - (ii) authorizing a specified Person or Persons to execute the Transaction Documents to which it is a party on its behalf; and
 - (iii) authorising a specified Person or Persons, on its behalf, to sign and/or despatch all documents and notices to be signed or despatched by it under or in connection with the Transaction Documents to which it is a party.
- (c) A certified specimen of the signature of each Person authorised by the resolution referred to in paragraph (b) above, together with certified copies of the passports of such Persons.
- (d) A certified copy of a special resolution passed by the shareholders of the Company in accordance with section 180(1)(c) of the Act approving the borrowing contemplated under the Transaction Documents.
- (e) A certified copy of a special resolution passed by the shareholders of the Company in accordance with section 180(1)(a) of the Act approving the creation of Security over the Secured Property.
- (f) A certified true copy of a special resolution of the shareholders of the Company under Section 42 of the Act authorising the offering for issuance, by way of private placement of the Debentures, by the Company.
- (g) A certificate from an independent chartered accountant having a market practice of 10 (ten) years or more, certifying that they have inspected all the books, accounts, records and all the relevant documents of the Company and on the basis of the review of the books, accounts, records and all the relevant documents of Company, it is certified and confirmed that:
 - i. the Company neither has any outstanding income tax dues nor any income tax demands and has satisfactorily paid all its dues and income taxes as on date;
 - ii. there are no proceedings pending and/or initiated and/or threatened against Company for or on account of any taxes or any other sums, which may be due and payable by Company under the Income Tax Act, 1961, including such proceedings that could result in its assets being or becoming subject to any tax claims pursuant to section 281 of the Income Tax Act, 1961;
 - iii. no demands or notices from the income tax authorities have been served on Company under the Income Tax Act, 1961;

- iv. the borrowing, securing or otherwise collateralizing, as appropriate, the Debentures and all the monies due and payable in relation to the Debentures under the Debenture Trust Deed and all other documents proposed to be executed in relation to the Debentures, would not cause any borrowing, securing, collateralising or similar limit binding on the Company to be exceeded (including any limits imposed under any resolution passed by the shareholders of Company or the board of directors of Company (including any committees of the board of directors of Company)); and
- v. as the amounts proposed to be borrowed by the Company pursuant to the issue of the Debentures, do not exceed the aggregate of the securities premium, paid up share capital and free reserves, of the Company, as specified in Section 180(1)(c) of the Companies Act, 2013, read with the relevant rules issued thereunder, the Company can avail the exemption provided under the second proviso to Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. Pursuant to the aforesaid, the Company does not require the consent of the shareholders of the Company for the proposed Issue by way of passing of a special resolution under Section 42(2) of the Companies Act, 2013 read together with the relevant rules issued thereunder and that for the Proposed Issue, the Board Resolutions passed under Section 179(3)(c) of the Companies Act, 2013 read together with the relevant rules issued thereunder would be adequate;

2. Guarantor

- (a) Guarantor has delivered to the Debenture Trustee, a certified true copy of the Guarantor's Constitutional Documents and Certificate of Incorporation, as amended up-to-date as also a certified true copy of the resolution of the Board of Directors of the Guarantor authorizing the issuance of the Guarantee as also execution thereof.
- (b) A certified specimen of the signature of each person authorised by the resolution referred to in paragraph (a) above together with certified copies of the passports of such authorized persons.
- (c) A certificate of an authorized signatory of the Guarantor certifying that:
 - (i) the provision by the Guarantor, of the Guarantee to secure the obligations of the Company, would not cause any securing, collateralising, guaranteeing or similar limit binding on the Guarantor to be exceeded (including any limits imposed under any resolution passed by the shareholders of Guarantor or the board of directors of Guarantor (including any committees of the board of directors of Guarantor));
 - (ii) the provision by the Guarantor, of the Guarantee to secure the obligations of the Company, falls within the exemption provided under Section 185(3)(c) and the Guarantor would not be required to pass a shareholder's resolution under Section 185 for the purposes of issuance of a Guarantee, and that the Company shall utilise the funds obtained from the issuance of Debentures for its principal business activities;
 - (iii) the provision by the Guarantor, of the Guarantee to secure the obligations of the Company, will not cause the limits stipulated in Section 186 to be exceeded; and
 - (iv) The provision of the Guarantee under the Deed of Guarantee by the Guarantor to secure the obligations of Company in respect of the Debentures and the obligations undertaken by the Guarantor pursuant thereto, shall represent legal, valid and binding obligations of the Guarantor, enforceable against it, and are permissible under the constitutional documents of the Guarantor.
- (d) A certificate from an independent chartered accountant having a market practice of 10 (ten) years or more, certifying that they have inspected all the books, accounts, records and all the relevant documents of the

Guarantor and on the basis of the review of the books, accounts, records and all the relevant documents of Guarantor, it is certified and confirmed that:

- (i) the Guarantor neither has any outstanding income tax dues nor any income tax demands and has satisfactorily paid all its dues and income taxes as on date;
- (ii) there are no proceedings pending and/or initiated and/or threatened against Guarantor for or on account of any taxes or any other sums, which may be due and payable by Guarantor under the Income Tax Act, 1961, including such proceedings that could result in its assets being or becoming subject to any tax claims pursuant to section 281 of the Income Tax Act, 1961;
- (iii) no demands or notices from the income tax authorities have been served on Guarantor under the Income Tax Act, 1961; and
- (iv) the provision by the Guarantor, of the Guarantee to secure the obligations of the Company, would not cause any securing, collateralising, guaranteeing or similar limit binding on the Guarantor to be exceeded (including any limits imposed under any resolution passed by the shareholders of Guarantor or the board of directors of Guarantor (including any committees of the board of directors of Guarantor)).
- (v) the provision by the Guarantor, of the Guarantee to secure the obligations of the Company, falls within the exemption provided under Section 185(3)(c) and the Guarantor would not be required to pass a shareholder's resolution under Section 185 for the purposes of issuance of a Guarantee, provided the Company utilises the funds obtained from the issuance of Debentures for its principal business activities.
- (vi) the provision by the Guarantor, of the Guarantee to secure the obligations of the Company, will not cause the limits stipulated in Section 186 to be exceeded.

3. Legal Opinion

A legal opinion in respect of Indian law by Wadia Ghandy & Co., in the nature satisfactory to the Debenture Trustee on behalf of the Debenture Holder(s).

4. Other documents and evidence

- (a) A certificate from the Company's CFO confirming awareness of the definitions and financial covenants set out in this Deed;
- (b) Evidence of filing of Special Resolution under Section 42 of the Act with the Registrar of Companies before issuance of the Private Placement Offer Cum Application Letter.
- (c) The audited financial statements of the Company in respect of the Financial Year ending March 31, 2020.
- (d) The Company shall have provided a CP Compliance Certificate in the format as set out in **Schedule III** hereto.
- (e) An executed copy of the Transaction Documents in form and substance satisfactory to the Debenture Trustee on behalf of the Debenture Holder(s) shall be delivered to the Debenture Trustee and the Guarantor.
- (f) The Guarantor shall provide a true copy of the executed Deed of Guarantee to the Company as well as the Debenture Trustee.

- (g) Evidence of payment of all fees, costs and expenses due from the Company under the Transaction Documents, which are payable prior to the Deemed Date of Allotment.
- (h) A copy of any other authorization or other document, opinion or assurance which the Debenture Trustee, on behalf of the Debenture Holder(s), considers to be necessary or desirable (if it has notified the Company accordingly) in connection with the entry into and performance of the transactions contemplated by the Transaction Documents or for the validity and enforceability of the Transaction Documents or any authorizations with respect to the carrying on of the business by the Company (including without limitation, in relation to the Debenture Holder's 'Know Your Customer' requirements).

Part II - Conditions Subsequent

- (a) Within 90 (ninety) days of the Deemed Date of Allotment, a letter from the current statutory auditors of the Company addressed to the Debenture Holder(s), confirming that they have been provided a copy of the final Transaction Documents and are aware of the financial covenants and security maintenance provisions prescribed therein .
- (b) Evidence that the fees, costs and expenses then due from the Company pursuant to the Transaction Documents, after the Deemed Date of Allotment have been paid within the stipulated timelines.
- (c) Issuance of Letter of Allotment for the Debentures on the Deemed Date of Allotment.
- (d) Filing of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 by the Company, with the registrar of companies within 15 (Fifteen) calendar days from the Deemed Date of Allotment.
- (e) Filing of Form CHG-9 with the registrar of companies by the Company and receipt of the certificate of registration of charge issued by the registrar of companies, for the perfection of the Security created under the Deed of Hypothecation in accordance with the Act within 30 (Thirty) calendar days from the Deemed Date of Allotment.
- (f) Company to provide complete assistance to the Debenture Trustee in filing Form I with CERSAI.

SCHEDULE III

FORM OF CP COMPLIANCE CERTIFICATE

March 22, 2021

To,

Catalyst Trusteeship Limited

Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road,
Kalina, Santacruz (East), Mumbai – 400098

Dear Sirs,

Re: Debenture Trust Deed dated March 22, 2021 (“Deed”), executed by *inter alia* between the Company and the Debenture Trustee.

1. All capitalized terms used herein and not defined, will have the same meaning as set out in the Deed.
2. Pursuant to the Deed, we hereby certify and confirm that the following requirements/conditions have been complied by us:
 - (i) all the Conditions Precedent which are required to be complied with by the Company and the Guarantor have been fully satisfied;
 - (ii) the borrowing, securing or otherwise collateralizing, as appropriate, the Debentures and all the monies due and payable in relation to the Debentures under the Debenture Trust Deed and all other documents proposed to be executed in relation to the Debentures, would not cause any borrowing, securing, collateralising or similar limit binding on the Company to be exceeded (including any limits imposed under any resolution passed by the shareholders of Company or the board of directors of Company (including any committees of the board of directors of Company));
 - (iii) as the amounts proposed to be borrowed by the Company pursuant to the issue of the Debentures, do not exceed the aggregate of the securities premium, paid up share capital and free reserves, of the Company, as specified in Section 180(1)(c) of the Companies Act, 2013, read with the relevant rules issued thereunder, the Company can avail the exemption provided under the second proviso to Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. Pursuant to the aforesaid, the Company does not require the consent of the shareholders of the Company for the proposed Issue by way of passing of a special resolution under Section 42(2) of the Companies Act, 2013 read together with the relevant rules issued thereunder and that for the Proposed Issue, the Board Resolutions passed under Section 179(3)(c) of the Companies Act, 2013 read together with the relevant rules issued thereunder would be adequate;
 - (iv) no Material Adverse Effect or Material Adverse Change as set out in Clause 2.5.1(b) of the Debenture Trust Deed has taken place or is anticipated to occur;
 - (v) no Event of Default or potential Event of Default is existing or anticipated to occur;
 - (vi) there are no material changes to the financial position, operations of the Company and the Guarantor;
 - (vii) each of the Transaction Documents including the Debenture Trust Deed have been or will be executed by the signatories authorised in the board resolutions of the Company dated February 11, 2020 and August 20, 2020

read with the resolution of the borrowing committee of the Company dated March 15, 2021 and the signatories authorised by the board resolution of the Guarantor dated February 11, 2020 read with the resolution of the management committee of the Guarantor dated March 15, 2021 (as applicable);

- (viii) the representations and warranties set forth in the Debenture Trust Deed and the other Transaction Documents are true, complete, correct and not misleading in any way as of the date of the Debenture Trust Deed and shall continue to be true, complete, correct and not misleading in any way on the Deemed Date of Allotment; and
- (ix) each copy document relating to it specified in **Schedule II** of the Debenture Trust Deed is correct, complete and in full force and effect as at on the Effective Date.

- 3. The documentary proof/ supporting evidences to the effect that the aforementioned conditions have been satisfied, is enclosed herein.

Regards,

Lendingkart Finance Limited

Authorised Signatory

SCHEDULE IV

PROVISIONS FOR THE MEETINGS OF THE DEBENTURE HOLDER(S)

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

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

The meetings of the Debenture Holder(s) referred to hereinabove are hereinafter referred to as the “**Meetings**”.

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

2. (i) A Meeting of the Debenture Holder(s) may be called by giving not less than 21 (twenty one) days' notice in writing.
(ii) A meeting may be called after giving shorter notice than that specified in sub-clause (i), if consent is accorded thereto by holders of Debentures representing not less than 95% (ninety five per cent) of the Debentures for the time being outstanding.
3. (i) Every notice of a meeting shall specify the place and day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
(ii) Notice of every meeting shall be given in the manner as authorised by Section 20 of the 2013 Act as pertaining to the service of documents on the members of the Company to the following Persons:-
 - (a) every Debenture Holder;
 - (b) the Persons entitled to Debentures in consequence of death or insolvency of any of the Debenture Holder(s), by sending it through post in a prepaid letter addressed to them by name or by such electronic or other modes as prescribed 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
4. The accidental omission to give notice to, or the non- receipt of notice by, any Debenture Holder(s) or other Person to whom it should be given shall not invalidate the proceedings at the meeting.
5. (i) There shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director and the Manager, if any.
(ii) Where any item of business relates to the approval of any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
6. (i) 5 (five) Debenture Holder(s), Personally present shall be the quorum for the meeting of the Debenture Holder(s) (provided that in the event that the number of Debenture Holder(s) shall be less than 5, then the

quorum shall comprise of all of such lesser number of Debenture Holder(s) being present).

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

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

19. The Chairman of a meeting of the Debenture Holder(s) may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
20. In the case of equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Debenture Holder(s).
21. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
22. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
23. A meeting of the Debenture Holder(s) shall, inter alia, have the following powers exercisable in the manner hereinafter specified in Clause 24 hereof :
- (i) Power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture Holder(s).
 - (ii) Power to sanction any modification, alteration or abrogation of any of the rights of the Debenture Holder(s) against the Company.
 - (iii) Power to assent to any modification of the provisions contained in the Trust Deed and to authorise the Debenture Trustee to concur in and execute any Supplemental Deed embodying any such modification.
 - (iv) Power to remove the existing Debenture Trustee and to appoint new Debenture Trustee.
 - (v) Power to give any direction, sanction, request or approval which under any provision of the Deed is required to be given by a Special Resolution.
24. The powers set out in Clause 23 hereof shall be exercisable by a special resolution passed at a meeting of the Debenture Holder(s) duly convened and held in accordance with provisions herein contained and carried by the Debenture Holder(s) by a majority representing not less than 75% (seventy five per cent) in value of the votes cast on such poll. Such a resolution is hereinafter referred to as a “**Special Resolution**”.
25. A resolution, passed at a general meeting of the Debenture Holder(s) duly convened and held in accordance with these presents shall be binding upon all of the Debenture Holder(s), whether present or not at such meeting, and each of the Debenture Holder(s) shall be bound to give effect thereto accordingly, and the passing of any such resolutions shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.
26. Minutes of all Resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Debenture Trustee at the expenses of the Company and any such minutes as aforesaid, if purported to be signed by the Chairman of the meeting at which such resolutions were passed or proceeding held or by the Chairman of the adjourned meeting shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings taken, to have been duly passed and taken. In the event that the Chairman shall expire or otherwise be unable to sign the minutes in accordance with the above, the second nominee of the Trustee shall sign the minutes on

behalf of the Chairman and such signed minutes shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made.

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

SCHEDULE V

EXCLUSION LIST

The Company shall not (and the Company shall ensure that none of its Group Entities shall), finance any activity, production, use, distribution, business or trade involving:

1. Forced labor¹ or child labor²
2. Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - (a) Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
 - (b) Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
 - (c) Unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length).
3. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.
4. Destruction³ of High Conservation Value areas⁴
5. Radioactive materials unbounded asbestos fibers.
6. Pornography and/or prostitution
7. Racist and/or anti-democratic media
8. In the event that any of the following products form a substantial part of a project's primary financed business activities⁶:
 - (a) Alcoholic Beverages (except beer and wine);
 - (b) Tobacco;
 - (c) Weapons and munitions; or
 - (d) Gambling, casinos and equivalent enterprises.

¹ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

² Persons may only be employed if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

³ Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

⁴ High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (See <http://www.hcvnetwork.org>).

⁵ This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

⁶ For companies, "substantial" means more than 10 % of their consolidated balance sheets or earnings. For financial institutions and investment funds, "substantial" means more than 10% of their underlying portfolio.

SCHEDULE VI
FORM OF DEVELOPMENT IMPACT REPORTING

[The format is attached separately.]

SCHEDULE VII

FORMAT OF QUARTERLY COMPLIANCE CERTIFICATE

To: Catalyst Trusteeship Limited

Office No. 83 – 87, 8th floor, 'Mittal Tower', 'B' Wing,
Nariman Point, Mumbai – 400021
Kind attention: Mr. Umesh Salvi

From: Lendingkart Finance Limited

Date:

Dear Sirs,

Sub: Debenture Trust Deed dated March 22, 2021 between Lendingkart Finance Limited and Catalyst Trusteeship Limited (the "Deed")

1. We refer to the Deed. This is a Compliance Certificate. Terms defined in the Deed have the same meaning when used in this Compliance Certificate, unless given a different meaning in this Compliance Certificate.
2. We report on and confirm the following:

Ratio	Requirement	Company's Actual
Capital Adequacy Ratio	≥ 25% (Twenty Five Percent)	
Cost-to-Income Ratio	< 80% (Eighty Percent)	
Open Assets Exposure Ratio	< 20% (Twenty Percent)	
Covid-19 Restructured Assets	N/A	
Open Assets Exposure Ratio (Excluding Covid-19 Restructured Assets)		
Single Client Group Exposure Ratio	< 15% (Fifteen Percent) for all Clients and Client Groups;	
Aggregate Non-Performing Loan Ratio	< 5% (Five Percent)	
Solvency Ratio related to the Guarantor	>60% (Sixty Percent)	

We confirm that (i) no default under the Transaction Documents, and (ii) no Event of Default, has occurred and is continuing.

Regards,
Lendingkart Finance Limited

[name]

SCHEDULE VIII

FORM OF ENVIRONMENTAL AND SOCIAL MONITORING REPORT

This questionnaire is an important tool to help us ascertain the environmental and social performance of your institution during the reporting period. Please complete it as per the reporting intervals agreed in this Deed, but at least annually, and forward it to your investment officer.

Please note that this is a general questionnaire and we kindly ask you to fill out only those sections applicable to your institution, depending on the ESMS⁴ requirements that have been agreed. The Initial Debenture Holder(s) also accepts other reporting formats such as the formats of IFC, EBRD, AfDB. You can also send the information in your own reporting format provided that it covers the content below and is satisfactory to the Initial Debenture Holder(s).

Please provide us with copies of the documents listed in Appendix 1 if these have changed during the reporting period. Please also refer to the glossary in Appendix 1 for definitions of the most relevant terms and abbreviations.

LENDER NAME		
Transaction Manager	..... (Name)	..... (Phone)

Contact details and Signature			
Institution:	..... (Name)	..... (Address)	..... (Website)
Country of incorporation:	..... (Name)		
Completed by:	..... (Name and Title)	..... (Date)	(Signature)
Reporting period	..... (Financial year)		
Approved by senior management representative:	..... (Name and Title)	..... (Date)	(Signature)

General Information	
Total loan portfolio EUR / USD:	.....
Reporting currency in the financial statement:	.....
Exchange rate at time of reporting:	Click to choose currency = reporting currency.....
Other Development Finance Institutions (DFIs) providing finance	<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> DEG <input type="checkbox"/> FMO <input type="checkbox"/> Proparco </div> <div> <input type="checkbox"/> EBRD <input type="checkbox"/> IFC <input type="checkbox"/> Other, please specify </div> </div>

⁴ Definition ESMS: The ESMS is the part of the overall management system of the Company that includes organizational structure, planning activities, responsibilities, practices, procedures and resources for developing, implementing, achieving, reviewing and maintaining compliance with the environmental and social requirements, dedicated to the systematic and structured improvement of environmental and social performance, specifically targeted to identify and manage environmental and social risks and opportunities in the loan and investment appraisal and management processes.

Section 1: Environmental and Social Management System (ESMS)

<p>1.1. Does your institution have an E&S policy approved by Management Board?</p> <p>Any changes to be noted during the reporting period?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> No	
<p>1.2. Has your institution developed, upgraded or implemented an ESMS during the reporting period?</p>	<input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> No, in progress → please provide details: <input type="checkbox"/> No, we already have an ESMS <input type="checkbox"/> Other, please specify:	
A. Environmental and Social Governance		
<p>1.3. Please provide the name of the person with overall responsibility for E&S matters within your institution (senior management/board management).</p>	<p>..... (name, function and contact details)</p>	
<p>Any changes to be noted during the reporting period?</p>	<input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> No	
<p>1.4. Please provide the name of the person with overall responsibility for coordinating the day-to-day E&S matters within your institution (operational coordinator).</p>	<p>..... (name, function and contact details)</p>	
<p>Any changes to be noted during the reporting period?</p>	<input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> No	
C. Environmental and Social Procedures (refer to Appendix 1)		
<p>1.5. Does your institution have an Exclusion List compatible to the EDFI List of Excluded Activities?</p>	<input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> Not fully compatible → please provide details: <input type="checkbox"/> No	<p>.....</p>
<p>1.6. Does your institution categorize its transactions based on exposure to E&S risks sectors?</p>	<input type="checkbox"/> Yes, → please specify method used: <input type="checkbox"/> No	<input type="checkbox"/> Questionnaire <input type="checkbox"/> Checklist <input type="checkbox"/> Other, please specify:
		<input type="checkbox"/> Questionnaire

1.7. Does your institution perform E&S analysis for relevant transactions to assess the identified risks?	<input type="checkbox"/> Yes, → please specify method used: <input type="checkbox"/> No	<input type="checkbox"/> Desk review of client documentation (i.e. permits etc.) <input type="checkbox"/> Site visits performed by <input type="checkbox"/> Impact assessment commissioned to a third party <input type="checkbox"/> Other, please specify:
1.8. Does your institution mitigate and manage the E&S risks associated with transactions?	<input type="checkbox"/> Yes, → please specify method used <input type="checkbox"/> No	<input type="checkbox"/> ESMP or ESAP <input type="checkbox"/> E&S contract clauses <input type="checkbox"/> Other, please specify:
1.9. When identifying, assessing, mitigating and managing the E&S risks associated with transactions, what standards does your institution apply?	Standards:	Type of transactions:
	National standards	.....
	IFC Performance Standards	.....
	ILO Conventions	.....
	Other, please specify: .....	.....
1.10. Does your institution monitor the E&S performance of your clients/financed transactions?	<input type="checkbox"/> Yes, → please specify measures taken: <input type="checkbox"/> No	<input type="checkbox"/> Site visit by your institution's staff <input type="checkbox"/> Inspection by environmental/health authorities <input type="checkbox"/> Copies of updated or renewed permits <input type="checkbox"/> Reports from the client <input type="checkbox"/> Other, please specify
1.11.		
1.12. Has your institution integrated the E&S procedures (i.e. categorization, assessment, monitoring etc.) into the credit approval process?	<input type="checkbox"/> Yes, E&S fully integrated → please provide short description <input type="checkbox"/> No, E&S process is a parallel process → please provide short description <input type="checkbox"/> No	
1.13. Does your institution include an E&S paragraph/evaluation in the credit appraisal notes?	<input type="checkbox"/> Yes <input type="checkbox"/> No → please specify where the E&S review output is formalised:	
1.14. Are E&S procedures integrated into the information system of your institution?	<input type="checkbox"/> Yes <input type="checkbox"/> No → please specify if it is planned to integrate them:	
D. Stakeholder Engagement		
1.15. Has your institution publicly endorsed or signed any	<input type="checkbox"/> Yes, → please specify: <input type="checkbox"/> Equator Principles <input type="checkbox"/> United Nations Global Compact	

<p>national or international agreements or declarations concerning environmental and social issues?</p>		<input type="checkbox"/> United Nations Environment Programme for Financial Institutions (UNEP-FI) <input type="checkbox"/> Global Reporting Initiative <input type="checkbox"/> Carbon Disclosure Project <input type="checkbox"/> Other, please specify
<input type="checkbox"/> No		
<p>1.16. Does your institution report publically (e.g. in its Annual Report or in a separate E&S or CSR report etc.) on its E&S performance and client/portfolio compliance with applicable E&S legislation and standards?</p>	<input type="checkbox"/> Yes, → please specify reporting mechanism: <input type="checkbox"/> No	
<p>1.17. Does your company have an official mechanism in place to address grievances/complaints of local communities and project affected people?</p>	<input type="checkbox"/> Yes, → please provide a web link or contact details for grievances/complaints: → please specify number of complaints received per year and provide details of how they were handled: <input type="checkbox"/> No	

Section 2: ESMS related Loan Book Information

2.1 Loan Book Summary

(please specify reporting currency)

Total Loan Book	Average Loan Size (non retail portfolio)	Short Term Finance % <1 year	Long Term Finance % >3 years
Click to choose the currency	Click to choose the currency	Click to choose the currency	Click to choose the currency
In case you finance SME, please provide the average loan size for this specific client segment.		Click to choose the currency	

2.2 Loan Portfolio Breakdown Analysis⁵

Industry Sector	Total Loans Outstanding per [date]		SME/Micro %			Other Retail %
Total						

2.3 Transactions approved during the reporting period that finance activities specified in the E&S Exclusion List?

	Name (Client / Project)	Excluded activity and reason for approval	Amount
1			
2			
3			

⁵ To be able to meaningfully interpret the information from this table, we kindly ask you to provide your definition of Corporates, SME's and Micro enterprises in *Appendix 1* of this report.

Section 3: Human Resources and Corporate Social Responsibility Management				
3.1 Please specify the number of employees according to:		Permanent	Temporary	Top Management
	Male	.....	.....	.....
	Female	.....	.....	.....
3.2 Please provide a rough forecast of how many jobs will be created by your company in the next 5 years.	Total: (.....)			
3.3 Please specify (in % of workforce) any staff reductions or additions during the reporting period:	<input type="checkbox"/> Lay-offs of workforce <input type="checkbox"/> Additions to workforce <input type="checkbox"/> None			
3.4 Has responsibility for human resources management in your institution changed during the reporting period?	<input type="checkbox"/> Yes → please provide details <input type="checkbox"/> No		..... (name, function and contact details)	
3.5 Has your institution made changes to the human resources policies during the reporting period? (refer to Appendix 1)	<input type="checkbox"/> Yes, → please provide details: <input type="checkbox"/> No			
HR Policy Changes (e.g. addition of social benefits, working hours etc.)				
1	.....	.....
2	.....	.....
3	.....	.....
4	.....	.....
5	.....	.....
3.6 Has your institution implemented an HIV/AIDS Program during the reporting period? (refer to Appendix 1)	<input type="checkbox"/> Yes, please provide details and budget <input type="checkbox"/> No			
3.7 Has your institution experienced labor related issues during the reporting period (grievances, strikes, court cases etc.)?	<input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> No			
3.8 Has your institution provided non E&S related staff training during the reporting period (e.g. corporate governance, credit risk)?	<input type="checkbox"/> Yes, → please provide details and specify % of workforce trained <input type="checkbox"/> No			
3.9 How much did your institution spend on staff training in the last financial year?	Click to choose the currency.....			
3.10 Do you have specific anti-discrimination procedures, notably regarding gender equality?	<input type="checkbox"/> Yes, → please specify <input type="checkbox"/> No			

3.11 Do you have elected staff representatives?	<input type="checkbox"/> Yes, → please specify <input type="checkbox"/> No
3.12 Do you have unions' representatives?	<input type="checkbox"/> Yes, → please specify <input type="checkbox"/> No
3.13 Has your institution taken any measures to reduce its environmental footprint during the reporting period (e.g. use or production of paper, waste, energy etc.)?	<input type="checkbox"/> Yes → please provide details: <input type="checkbox"/> No
3.14 How much did your institution spend on activities that benefit local communities (Corporate Social Responsibility) in the last financial year?	Click to choose the currency.....
3.15 Which type of community development did you engage in?	<input type="checkbox"/> Health <input type="checkbox"/> Transportation <input type="checkbox"/> Water <input type="checkbox"/> Education <input type="checkbox"/> Energy <input type="checkbox"/> Recruitment from local community <input type="checkbox"/> Other, please specify:
3.16 Provide an estimate of the share of goods and services (specified in your financial statement) that is purchased from domestic suppliers (vs. foreign suppliers) – please specify for last financial year	<input type="checkbox"/> 0%
	<input type="checkbox"/> <20%
	<input type="checkbox"/> <40%
	<input type="checkbox"/> <60%
	<input type="checkbox"/> <80%
	<input type="checkbox"/> <100%
	<input type="checkbox"/> 100%

Section 4: Development of Financing Products and Service	
How much of your financing is issued by local banks/institutions that are based in the country of your activities?	<input type="checkbox"/> 0% <input type="checkbox"/> < 20% <input type="checkbox"/> < 40% <input type="checkbox"/> < 60% <input type="checkbox"/> < 80% <input type="checkbox"/> <100% <input type="checkbox"/> 100%

Appendix 1

Please make sure to include copies of relevant documents with your monitoring report as applicable to your institution. A sample list is provided below:

Document	Explanation	Please specify with Y/N
ESAP	Provide updated version of the ESAP providing details on the implementation status	
E&S Policy		
Exclusion List		
E&S Procedures		
E&S Tools	Provide questionnaire, checklist, client ESAP etc.	
E&S covenants	Incorporated in loan agreements	
Flowchart	Showing how E&S is integrated into the overall credit approval process (i.e. credit risk, incl. E&S)	
Organigram	Showing how E&S is organized within the institution	
Training program	Provide content of the program	
Human Resources policies	Provide policies related to workforce	
HIV/AIDS program		
E&S Annual report	Annual report of your institution	
Definition of Corporate, SME and Micro, as applicable to your institution		

SCHEDULE IX
REPAYMENT SCHEDULE

Illustration of Bond Cash Flows	
Company	Lendingkart Finance Limited
Number of Debentures	1080 (One Thousand and Eighty)
Face Value per Debenture	Rs. 10,00,000/- (Rupees Ten Lakh only)
Aggregate Value of Debentures	Rs. 108,00,00,000/- (Rupees One Hundred and Eight Crores only)
Issue Date	March 24, 2021
Date of Allotment	March 24, 2021
Maturity Date	March 24, 2025
Coupon Rate	13.24% (Thirteen Decimal Point Two Four Percent) per annum, payable semi-annually.
Frequency of the Coupon Payment with specified dates	Payable semi-annually from the Deemed Date of Allotment on the following dates: March 24 and September 24, of every calendar year until Maturity Date, starting from September 24, 2021.
Principal Repayment	<p>The Issue Size will be repaid in three instalments: one instalment of 25% of the Issue Size after 3 years, one instalment of 25% of the Issue Size after 3 and a half years and one instalment of 50% of the Issue Size after 4 years, in each case from the Deemed Date of Allotment</p> <p>(i) Rs. 27,00,00,000/- (Indian Rupees Twenty Seven Crores Only) on the First Redemption Date;</p> <p>(ii) Rs. 27,00,00,000/- (Indian Rupees Twenty Seven Crores Only) on the Second Redemption Date;</p> <p>(iii) Rs. 54,00,00,000/- (Indian Rupees Fifty Four Crores Only) on the Final Redemption Date;</p>
Day Count Convention	Actual/ Actual

Dates			Cashflows			
Period	Payment Date	Business Day	Principal O/S	Principal (Rs.)	Interest (Rs.)	Cashflows (Rs.)
0	24 March 2021	Yes	Issue amount	1,080,000,000		
1	24 September 2021	Yes	1 st Coupon		72,083,638	72,083,638
2	24 March 2022	Yes	2 nd Coupon		70,908,362	70,908,362
3	24 September 2022	No	3 rd Coupon		72,083,638	72,083,638

Dates			Cashflows			
Period	Payment Date	Business Day	Principal O/S	Principal (Rs.)	Interest (Rs.)	Cashflows (Rs.)
4	24 March 2023	Yes	4 th Coupon		70,908,362	70,908,362
5	24 September 2023	No	5 th Coupon		72,083,638	72,083,638
6	24 March 2024	No	6 th Coupon	270,000,000	71,211,279	341,211,279
8	24 September 2024	Yes	7 th Coupon	270,000,000	53,915,016	323,915,016
10	24 March 2025	Yes	8 th Coupon	540,000,000	35,401,197	575,401,197

SCHEDULE X

FORM OF REPORTING ON NON-PERFORMING LOANS AND LOAN LOSS RESERVES

To: **CC:**

The Director,

[•];

[•]

Kind Attention: [•]

From: **Lendingkart Finance Limited**

[•]

Date:

Dear Sirs,

Sub: Debenture Trust Deed dated March 22, 2021 between Lendingkart Finance Limited and Catalyst Trusteeship Limited (the “Deed”)

1. We refer to the Deed. This is a certificate on Non-Performing Loans and Loan Loss Reserves. Terms defined in the Deed have the same meaning when used in this certificate on Non-Performing Loans and Loan Loss Reserves, unless given a different meaning herein.
2. We herewith report the following:

Classification of loans and credit facilities on the basis of risk or arrear	[Relevant period] [year]		[Relevant period] [year]	
	Amount	% portfolio	Amount	% portfolio
< 30 days in arrears				
30 – 89 days in arrears				
90 – 179 days in arrears				
180 – 359 days in arrears				
> 360 days in arrears				
NPLs = > 90 days in arrears				
Loan Loss Reserve				
Cash Collateral ⁶				
LLR/NPLs				
Restructured Assets				
Covid-19 Restructured Assets				

⁶ Cash Collateral for any Non-Performing Loan or a Restructured Asset or a Covid-19 Restructured Asset.

Write-offs (losses)				

3. We hereby certify that in calculating the above amounts and percentages:
- (a) the total outstanding amounts of loans in arrears have been used (and not, for the avoidance of any doubt, the loan instalments in arrears only);
 - (b) the amounts mentioned have not been decreased by amounts secured with collateral⁷

Lendingkart Finance Limited

 [Name of the Authorised Signatory]

⁷ If these statements cannot be made by the Company, a detailed explanation of the method used instead should be provided here.

SCHEDULE XI

FORM OF REPORTING ON COVID-19 RESCHEDULED PORTFOLIO

Portfolio as on quarter end

In Rs. Mn

Particulars	Amount of loans that have not been rescheduled	Amount of loans rescheduled under the moratorium directions (covid-19)	Amount of loans restructured/ rescheduled Under the MSME restructuring directions (2020)	Grand total	% of total portfolio
a) On Time					
b) 0-30					
c) 31-90					
d) 91-180					
e) 181-360					
f) >360					
Grand Total	-	-	-		

SCHEDULE XII

DEPOSITORY RELATED PROVISIONS

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

SCHEDULE XIII

PART A DETAILS OF ACCOUNT(S) OF THE INITIAL DEBENTURE HOLDER

All Payments which are denominated in Indian Rupees will be made to:

Beneficiary Name:	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO) – VRR Tranche 8
Beneficiary Account No.:	22205626099
Custody Account Number /Safekeeping Code	FMOVR87090
Beneficiary Bank Name:	Standard Chartered Bank
Beneficiary Branch:	Standard Chartered Bank, Mahatma Gandhi Road, Fort, Mumbai 400001, India
IFSC Code:	SCBL0036001

All Payments which are denominated in a currency other than Indian Rupees will be made to:

Beneficiary Bank:	HSBC Bank USA, New York, United States of America
Swift-BIC:	MRMDUS33
Fedwire Routing Code:	021001088
Beneficiary Account number:	000258393
Beneficiary Swift BIC:	NFMONL2G
Beneficiary Account name	FMO N.V.
Beneficiary Address	Anna van Saksenlaan 71, The Hague, The Netherlands
Other instructions:	<i>[Please send your swift MT103 Single Customer Credit Transfer with priority urgent or MT202 General Financial Institution Transfer, whichever applicable, one New York business day before value date to your USD correspondent and make sure that the swift payment instruction is directly routed and processed into the relevant (American) clearing system.</i> <i>Further, we request that the payment received is the full amount (after potential transfer costs) and that our banker is instructed to advise us of receipt of funds.]</i>

The details of the dematerialized account of the Initial Debenture Holder are as follows:

Client Name:	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)
Client DP Account No.:	30027242
DP Account No.:	IN301524
DP Name	Standard Chartered Bank

PART B DETAILS OF ACCOUNT OF THE COMPANY

All Payments which are denominated in Indian Rupees will be made from:

Beneficiary Name:	Lendingkart Finance Limited
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Beneficiary Account No.:	916030013054327
Beneficiary Bank Name:	Axis Bank Limited
Beneficiary Branch:	Ahmedabad
IFSC Code:	UTIB0000003

All remittances to the Company (denominated in Indian Rupees) will be made to:

Beneficiary Name:	Lendingkart Finance Limited
Beneficiary Account No.:	10051505189
Beneficiary Bank Name:	IDFC First Bank Limited
Beneficiary Branch:	CG Road, CG Road, Ahmedabad
IFSC Code:	IDFB0040301

SCHEDULE XIV

(Disclosure of Security Interests/ Encumbrances over Assets of the Company which is yet to be recorded on the website of the Ministry of Corporate Affairs)

Sr. No.	Pending charge to be registered with Ministry of Corporate Affairs in the name of:	Amount
1.	IDBI Trusteeship Limited	Rs. 30,00,00,000/- (Rupees Thirty Crores only)

SCHEDULE XV

ESAP FOR REVISION AND AMENDMENT OF HUMAN RESOURCES POLICY

Item	Activities	Responsibility	Deliverables	Deadline
1.	Revise Human Resource Policy /procedures to include and comply with IFC PS 2 and ILO Labour Conventions	HR manager	Report with the gap analysis between the current HR policy & IFC PS2 and ILO Labour Conventions.	One month from Deemed Date of Allotment
2.	Amendment of the HR Policy to include and comply with IFC PS 2 and ILO Labour Conventions	HR Manager	Amended version of the HR Policy	Three month from Deemed Date of Allotment
3.	Board Approval on the new HR Policy & Implementation of the new Policy	HR Manager & Board	Approval of the HR Policy from the Board	Six month from Deemed Date of Allotment
4.	Performance review for the new HR Policy and its implementation to comply with IFC PS 2 and ILO Labour Conventions	HR Manager & Internal Audit	Audit report	One year after Deemed Date of Allotment

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

[LEFT BLANK INTENTIONALLY. SIGNATURE PAGES TO FOLLOW]