

DATED FEBRUARY 14, 2023

DEBENTURE TRUST DEED CUM DEED OF HYPOTHECATION

**FOR SECURED, RATED, LISTED, REDEEMABLE, PRINCIPAL PROTECTED NON-CONVERTIBLE
DEBENTURES**

**L&T FINANCE LIMITED
As “the Company”**

AND

**CATALYST TRUSTEESHIP LIMITED
“THE DEBENTURE TRUSTEE”**

DEBENTURE TRUST DEED CUM DEED OF HYPOTHECATION

THIS DEBENTURE TRUST DEED CUM DEED OF HYPOTHECATION (hereinafter referred to as the “**Deed**”) is made at Chennai on this 14th February, 2023.

BY AND BETWEEN

1. **L&T FINANCE LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) with its Corporate Identity Number U65910WB1993FLC060810 and having its Registered Office at, 15th Floor, PS SRIJAN Tech Park, Plot No 52, Block DN, Sector-V, Salt Lake City, Kolkata – 700 091, District 24-Parganas North and corporate office at Brindavan, CST Road, Kalina, Santacruz (East), Mumbai 400 098, Branch Office: 5th And 6th Floor Floor, A Wing, Kgn Towers, 62 Ethiraj Salai (Commander-In-Chief Road), Egmore, Chennai 600015.(hereinafter referred to as the “**Company**” or “**the issuer**”, which expression shall, unless repugnant to the context or meaning thereof, deem to include its successors and permitted assigns); of the **ONE PART**;

AND

2. **CATALYST TRUSTEESHIP LIMITED**, a public limited company, incorporated under the Companies Act, 1956 (1 of 1956) with corporate identity number U74999PN1997PLC110262and validly existing under the Companies Act, 2013 and having its registered office at GDA House Plot No 85, Bhusari Colony (Right), Paud Road, Pune – 411038, Branch office at No.3/360 ground floor, Rajeswari Avenue, Madhanandapuram. (hereinafter called “**the Debenture Trustee**” which expression shall include its successors and permitted assigns) of the **SECOND PART**

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

WHEREAS: -

- I. The Company is duly incorporated and validly existing under the laws of India and is registered as NBFC under Section 45IA of the Reserve Bank of India Act, 1934. The details of the authorised, issued, subscribed and paid-up share capital of the Company as on December 31, 2022 is as under:

1] AUTHORISED:	Amount in Rs.
4,87,43,09,610 Equity Shares of Rs.10/- each	48,74,30,96,100
12,00,000 Preference Shares of Rs.100 /- each	12,00,00,000
2] ISSUED, SUBSCRIBED AND PAID UP:	Amount in Rs.
2,68,41,72,360 Equity Shares of Rs.10/- each fully paid-up	26,84,17,23,600

- II. With a view to meet the Company’s requirements for the purpose of long-term augmentation of funds, the Company being duly empowered by its Memorandum of Association and Articles of Association, and pursuant to the authority granted by the resolution of the Board of the Company passed at its meeting held on March 28, 2022 and the shareholders’ resolution passed under Section 42 and 71 of the Act dated April 1, 2022, has issued 20,000 (Twenty Thousand) rated, listed, secured, redeemable principal protected, non-convertible debentures each having a face value of Rs. 1,00,000/- (Rupees One Lakhs only) each of the aggregate nominal value of Rs. 2,00,00,00,000/- (Rupees Two Hundred Crores only) with an option to retain over-subscription upto Rs. 1,00,00,00,000 (Rupees One Hundred Crore Only) on private placement basis collectively aggregating to Rs. 3,00,00,00,000 (Rupees Three Hundred Crore Only) on a private placement basis under ‘Series Q’ of FY2022-2023 (hereinafter referred to as the “**Debentures**”) on private placement in dematerialized form to the Debenture Holder(s), in terms of Offer Document/ Term Sheet/ Information Memorandum and Private Placement Offer Cum Application Letter/Disclosure Document / Placement Memorandum dated February 7, 2023 this Deed and the Transaction Documents (as defined hereinafter).
- III. The Debenture Trustee is registered with the Securities and Exchange Board of India (“**SEBI**”) as a debenture trustee under the SEBI (Debenture Trustee) Regulations, 1993 and pursuant to the consent letter dated February 6, 2023 has agreed to act as a debenture trustee, in trust for the benefit of the Debenture Holders. The Debenture Trustee and the Company

have entered into a debenture trustee agreement dated February 7, 2023, as amended from time to time ("**Debenture Trustee Agreement**") whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as 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 Debentures. Under the Debenture Trustee Agreement, the Parties have also agreed to execute a debenture trust deed in compliance with the provisions of the Act.

- IV. Accordingly, the Debenture Trustee has called upon the Company to execute this Deed being these presents, pursuant to which the Debentures are being issued, and accordingly, these presents shall record the various terms, conditions and stipulations as well as the Company's obligation in respect of the Debentures including Redemption of the Debentures, payment of interest, remuneration of the Trustee and all costs, charges, expenses and other monies in accordance with the terms of the issue, conditions of appointment of Debenture Trustee, creation, maintenance and enforcement of Security, and the Company has agreed to do so in the manner set out hereinafter.
- V. This Deed is divided into the following sections: (i) **Part A** which sets out the terms of Debentures, which are standard in nature or are terms stipulated pursuant to statutory or regulatory requirements; and (ii) **Part B** which sets out the terms of the Debentures which are specific to this issuance.

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

1. DEFINITIONS AND INTERPRETATION

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

1.1 Definitions

- 1.1.1 "**Act**" shall mean the Companies Act, 2013 (to the extent notified and effective) or Companies Act, 1956 (to the extent applicable), as may be amended from time to time and shall include any statutory amendment or re-enactment thereof from time to time including but not limited to the rules, circulars or orders issued thereunder.
- 1.1.2 "**Account Bank**" shall have the meaning ascribed to the term in Clause 2.2.2 of this Deed.
- 1.1.3 "**Applicable Law(s)**" shall mean any statute, law, regulation, notification, ordinance, rule, judgement, rule of law, order, decree, government resolution, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or governmental or regulatory authority including without limitation stock exchanges, having jurisdiction over the matter in question, whether in effect as of the date of this Deed or thereafter and in each case as amended.
- 1.1.4 "**Board**" shall mean the board of directors of the Company for the time being and from time to time.
- 1.1.5 "**Business Day**" shall mean a day (other than a Saturday, Sunday or a Bank holiday) on which money market is functioning in Mumbai and "**Business Days**" shall be construed accordingly.
- 1.1.6 "**Debentures**" shall have the meaning ascribed to such term in clause 2.1.1 hereto.
- 1.1.7 "**Debenture Holder(s)**" or "**Beneficial Owners(s)**" shall mean the persons who are, for the time being and from time to time, the owners of the Debentures in physical form or electronic (dematerialized) form, and whose names appear in the register of debenture holders(s) or the list of beneficial owner(s)/register of beneficial owners(s) prepared, held and given by the Depository, and "**Beneficial Owner**" means each such person and includes their respective successors/ transferees and assigns.

- 1.1.8 “**Debenture Redemption Reserve**” shall mean the reserve created in terms of Clause 5.1.7 of this Deed.
- 1.1.9 “**Debenture Trustee Agreement**” shall have the meaning ascribed to the term in Recital IV.
- 1.1.10 “**Deed**” shall mean this debenture trust deed as may be amended, modified, or supplemented from time to time.
- 1.1.11 “**Deemed Date of Allotment**” shall mean the date of allotment as set out in the [Prospectus/ Disclosure Document/ Offer Letter] and Clause 10.4 of this Deed.
- 1.1.12 “**Depository**” shall mean the depository with whom the Company has made arrangements for dematerializing the Debentures namely, National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL).
- 1.1.13 “**Depository Participant**” shall mean the agent or the registered stockbroker of a **depository** Debentures namely, National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL).
- 1.1.14 “**Disclosure Document/Prospectus/ Offer Letter/ Information Memorandum and Private Placement Offer Cum Application Letter**” shall mean disclosure document/offer document/ information memorandum/ private placement memorandum dated which sets out the key terms and conditions upon which the Debentures are proposed to be issued/ have been issued by the Company to the Debenture Holder(s).
- 1.1.15 “**Event(s) of Default**” shall mean any event or circumstance as described in Clause 4 of this Deed.
- 1.1.16 “**Hypothecated Property**” shall have the meaning ascribed to it under Clause 11.8 hereof, as more specifically described in **First Schedule** hereunder written.
- 1.1.17 “**Financial Covenants and Conditions**” shall mean the covenants and conditions on the part of the Company to be observed and performed as set out in the Prospectus/ Disclosure Document and as the same may from time to time, be modified in accordance with these presents.
- 1.1.18 “**Final Redemption Date**” shall mean February 14, 2033 when the nominal amount of the outstanding Debenture/s is to be paid by the Company to the Debenture Holder(s) together with all the accrued Coupon, Default Interest (if any) and all other monies whatsoever due and payable by the Company in respect of the Debentures.
- 1.1.19 “**Government/Governmental Authority**” shall include president of India, the government of India, governor or the government of any state in India or any ministry, department, board, authority, instrumentality, agency, corporation or commission semi-governmental or judicial or quasi-judicial or administrative entity, any self-regulatory organization, under the direct or indirect control of the government of India.
- 1.1.20 “**Initial Contribution**” shall have the meaning ascribed to the term in Clause 3.2.1.
- 1.1.21 “**Inter Creditor Agreement**” or “**ICA**” shall mean an agreement entered under the directions issued by RBI described as the RBI (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 providing a framework for early recognition, reporting and time bound resolution of stressed assets on June 7, 2019 as amended from time to time read with the SEBI circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 prescribing the procedure to be followed by debenture trustees in case of ‘Default’ by issuers of listed debt securities including seeking consent from the Debenture Holder(s) for enforcement of security and/or entering into an inter-creditor agreement, as amended from time to time.
- 1.1.22 “**Issue Closing Date**” shall mean the date of closure of the Issue of Debentures, as set out in the Disclosure Document.
- 1.1.23 “**Material Adverse Effect**” shall mean an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could be expected to cause a material adverse effect

or a material adverse change in the opinion of Debenture Trustee, acting on/with Majority Debenture Holders' instructions / approval on:

- a. the business, operations, property, assets, condition (financial or otherwise) or prospects of the Company; or
- b. the ability of the Company to perform its obligations under any Transaction Documents or affects the validity of the Transaction Documents or any other related document to which Company is or will be a party; or
- c. the legality or validity or enforceability of the Transaction Documents or any other related document or the rights or remedies of Debenture Holder(s) /Beneficial Owner(s) thereunder; or
- d. legality or validity or enforceability of, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to any of, the Security Documents; or
- e. any other effect or change which adversely affects the interest of the Debenture Holder(s) /Beneficial Owner(s) or the Debenture Trustee.

1.1.24 **"Majority Debenture Holder(s)/Beneficial Owner(s)"** shall at any time mean such number of Debenture Holder(s)/Beneficial Owner(s) holding more than 50% of the then outstanding Debentures. For sake of clarity, it is herein clarified that the 'majority' shall be determined as majority of debenture holders under each respective International Securities Identification Number ("ISIN").

1.1.25 **"Hypothecated Assets"/"Movable Assets"** shall mean collectively, Hypothecated Property, expressed to be granted, conveyed, transferred, assured and assigned as specific security for the redemption of the Secured Obligations to be secured hereunder in terms of the provisions of Clause 11.2 and 11.8 hereof.

1.1.26 **"Part A"** shall mean all the text, clauses, sub-clauses which have been included in the Part A of this Deed. The Part A are statutory clauses, sub-clauses /standard information pertaining to the Debentures.

1.1.27 **"Part B"** shall mean all the text, clauses, sub-clauses which have been included in the Part B of this Deed containing details specific to the Debentures, as amended from time to time.

1.1.28 **"Permitted Security Interest"** shall mean [any exclusive security interest created for the benefit of certain governmental, regulatory or statutory authorities, or any entity incorporated by a statute, including National Housing Bank (NHB) and treatment to such security interest during the regular course of business of the company.

1.1.29 **"Purpose"** shall mean the purpose for which the Debentures have been issued by the Company being long term augmentation of funds.

1.1.30 **"Quarter"** shall mean the period of three months commencing on the first day of January, April, July or October of a calendar year.

1.1.31 **"RBI"** means the Reserve Bank of India.

1.1.32 **"Receiver"** shall mean the receiver appointed in relation to any of the Secured Assets.

1.1.33 **"Recovery Expense Fund"** shall mean fund contributed by the Company towards creation of a recovery expense fund as required to be created in terms of the SEBI REF Circular.

1.1.34 **"Repayment"** shall include "Redemption" and *vice versa* and the expressions repaid, repayable, repayment, redeemed, redeemable and redemption shall be construed accordingly.

1.1.35 **"Record Date"** shall mean the date as set out in the [Prospectus/ Disclosure Document/ Offer Letter].

1.1.36 **"Redemption Date"** shall mean each date on which the Debentures are required to be redeemed, as set out in the Disclosure Document/Prospectus/ Offer Letter and Clause 10.11 of this Deed.

1.1.37 **"SEBI"** shall have the meaning ascribed to such term in Recital IV.

- 1.1.38 **“SEBI Defaults (Procedure) Circular”** shall mean the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020, as amended from time to time.
- 1.1.39 **“SEBI Operational Framework Circular”** shall mean the SEBI Operational circular bearing reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended from time to time.
- 1.1.40 **“SEBI REF Circular”** shall mean the circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of “Recovery Expense Fund” issued by SEBI, as amended from time to time.
- 1.1.41 **“Secured Obligations”** shall mean all obligations at any time due, owing or incurred by the Company to the Debenture Trustee or the Debenture Holders, as the case may be, in respect of the Debentures and shall include (i) the obligation to redeem the Debentures in terms thereof including payment of coupon/interest, default interest, penal interest, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee/Debenture Holder(s) and other monies payable by the Company in respect of the Debentures under the Transaction Documents; (ii) any and all sums advanced by the Debenture Trustee in order to preserve the Security created / to be created by the Company in relation to the Debentures; (iii) in the event of any proceedings for the collection and/or enforcement of the obligations of the Company in respect of the Debentures, after an Event of Default shall have occurred, the expenses of retaking, holding, preparing for sale, selling or otherwise disposing of or realizing the Security or any part thereof, created / to be created by the Company, and/ or of any exercise of the Debenture Trustee of its rights under the relevant Transaction Documents, together with legal fees and court costs in relation thereto.
- 1.1.42 **“Security”** shall mean the Security Interest required to be created over the Secured Assets to secure the Debentures, as set out in this Deed.
- 1.1.43 **“Secured Assets”** shall mean the assets (whether tangible or intangible or movable) as more particularly set out in Clause 11.2 of this Deed over which Security Interest is required to be created under the Transaction Documents in favour of Debenture Trustee, for the benefit of Debenture Holders for the Repayment of the Secured Obligations.
- 1.1.44 **“Security Coverage Ratio”** shall mean the ratio between the aggregate value of the:
- (a) net fixed assets of the Company over which Security is created to secure the Debentures; and
 - (b) outstanding indebtedness of the Company which is secured by or agreed to be secured by exclusive/first charge over those fixed assets of the Company.
- 1.1.45 **“Security Interest”** shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement of any kind or nature whatsoever including, without limitation any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute; and any designation of loss payees or beneficiaries or any similar arrangement under any contract of insurance or any other similar security interest.
- 1.1.46 **“Security Documents”** shall mean all such documents as may be required for creating and perfecting the Security Interest as may be required to be created in terms of the Transaction Documents, in favour of the Debenture Trustee for the benefit of the Debenture Holder(s) (and their successors and assigns from time to time).
- 1.1.47 **“Special Majority”** shall at any time mean such number of Debenture Holder(s)/Beneficial Owner(s) holding more than 75% of the then outstanding Debentures and 60% of the Debenture Holder(s) / Beneficial Owner(s). For sake of clarity, it is clarified that the Special Majority shall be determined under each respective ISIN.

- 1.1.48 **“Special Resolution”** shall mean a resolution passed by the Debenture Holder(s)/Beneficial Owner(s), holding not less than three-fourth in value of outstanding Debentures, at a duly convened meeting of the Debenture Holder(s) and shall include only valid votes cast by members voting in person or proxy.
- 1.1.49 **“Tax”** or **“Taxes”** means any present or future tax, levy, duty, charge, fees, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by law by any Governmental Authority and as may be applicable in relation to the payment obligations of the Company under this Deed.
- 1.1.50 **“Tax Deduction”** means a deduction for or on account of Tax from a payment under a Transaction Document.
- 1.1.51 **“Tenor”** shall mean expiry of 3653 days from the Deemed Date of Allotment.
- 1.1.52 **“Transaction Documents”** shall mean the documents executed in relation to the issue of the Debentures and the creation of the Security Interest in relation to the Debentures including but not limited to the [Disclosure Documents/Prospectus/ Offer Letter] (if any), the letters issued by the rating agency, Debenture Trustee Agreement, this Deed, Security Documents, necessary powers of attorney (if any) and such other documents as designated as such by the Debenture Trustee.
- 1.2 **Interpretation**
- 1.2.1 Words denoting singular number only shall include plural number and *vice versa*.
- 1.2.2 Words denoting one gender only shall include the other gender.
- 1.2.3 Words denoting persons only shall include companies and bodies corporate.
- 1.2.4 Any reference in this Deed, to this Deed or any other document shall be construed, without limitation, as a reference to this Deed or, as the case may be, such other document, in each case as the same may have been, or may from time to time be, amended, varied, novated, acceded to or supplemented and any reference to any statutory provision shall include such provision and any regulations, order or rule made thereunder and any statutory re-enactment, modification or replacement thereof.
- 1.2.5 All references in these presents to Schedules, Clauses, Sub-Clauses, Paragraphs or Sub-paragraphs shall be construed as reference respectively to the Schedules, Clauses, Sub-clauses, Paragraphs and Sub-paragraphs of these presents.
- 1.2.6 The recitals and schedules shall constitute an integral and operative part of this Deed. The provisions contained in the Schedules hereunder written shall have effect in this manner as if they were specifically herein set forth.
- 1.2.7 No provision of this Deed shall be interpreted in favour of or against any Party by reason of the extent to which such Party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof.
- 1.2.8 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 Debenture Holder(s)) shall be entitled at their discretion, to determine such materiality or reasonableness, which shall be binding on the Company.
- 1.2.9 Whenever any coupon payment date (other than the ones falling on each Redemption Date) falls on a day other than a Business Day, such payment shall be made on the immediately following Business Day, which becomes the coupon payment date for that coupon without changing the coupon payment date for subsequent payment obligations of coupon.

- 1.2.10 Whenever any Redemption Date falls on a day other than a Business Day, the Redemption amount shall be paid by the Company on the immediately preceding Business Day which becomes the new Redemption Date, along with interest accrued on the Debentures until but excluding the date of such payment.
- 1.2.11 All references to the consent or discretion or agreement or waivers or any actions of the Debenture Trustee under this Deed or any other Transaction Documents shall mean the Debenture Trustee acting in accordance with the consent of the Majority Debenture Holders unless specifically provided otherwise.
- 1.2.12 The obligations of the Company shall be governed by the provisions contained in the [Disclosure Document/ Prospectus/ Offer Letter] and these presents, and in the event of there being any inconsistency or repugnancy between the provisions contained in the Information Memorandum and these presents, the provisions contained in the Information Memorandum shall prevail over this Deed for all purposes and to all intents.

PART – A OF THE DEBENTURE TRUST DEED

2. AMOUNT OF DEBENTURES AND COVENANT TO PAY PRINCIPAL AND INTEREST

2.1 Amount of Debentures:

- 2.1.1 The Debentures are being issued and allotted, on Private Placement basis, in dematerialized form for cash at par in terms of this Deed rated listed secured redeemable, principal protected, non-convertible debentures of the face value of Rs. 1,00,000/- (Rupees One Lakhs only) for an aggregate nominal value of Rs. 2,75,00,00,000 (Rupees Two Hundred and Seventy Five Crores Only), to the Debenture Holder(s)/Beneficial Owner(s), as the case may be. The Company shall utilise the monies received from the subscription of the Debentures solely towards the Purpose viz., long term augmentation of funds.

2.2 Covenant to Pay Principal and Interest:

- 2.2.1 The Company covenants with the Trustee that it shall pay to the Debenture Holder(s)/Beneficial Owner(s) the principal amount of the Debentures together with redemption premium, if any, on the Redemption Dates and shall also pay interest (inclusive of penal interest where applicable) on the Debentures in accordance with Clause [10.10] of this Deed and the [Disclosure Document/ Prospectus/ Offer Letter].

Provided that if so called upon by the Trustee, the Company shall make payments as aforesaid to or to the order of or for the account of the Trustee and such payment shall be deemed to be in satisfaction of the aforesaid covenant of the Company to make such payments to the Debenture Holder(s)/Beneficial Owner(s). Such payments shall be passed on to the Debenture Holder(s)/Beneficial Owner(s), subject to the appropriation in the order of preference mentioned in Clause 10.17 of this Deed.

The Company shall, at all times until the Secured Obligations have been duly discharged, maintain a bank account no. 00600310034668 with HDFC Bank, HDFC Bank Ltd., Ground Floor, Jehangir Building, M G Road, Fort, Mumbai Metropolitan Building, Mumbai, 400001 Branch ("**Account Bank**") from which it proposes to pay the redemption amount. The Company agrees and acknowledges that they shall also inform the Debenture Trustee within 1 (one) working day of any change in the Account Bank details.

- 2.2.2 The Company further acknowledges, agrees, that the Debenture Trustee is authorised to seek redemption payment related details and information from the Account Bank in terms of the extant SEBI regulations. A duly executed pre-authorisation letter from the Company to the Account Bank is annexed herewith as **Fourth Schedule, Part A** and a duly accepted consent letter from the Account Bank is annexed herewith as **Fourth Schedule, Part B**. Further, in case of change of Account bank, the Debenture Trustee shall accept such change only upon submission of the duly

acknowledged and accepted pre-authorisation letter and duly accepted consent letter from the successor /new account bank.

- 2.2.3 The Company covenants with the Debenture Trustee that it shall comply with all its obligations under this Deed and pay and repay all the monies payable by the Company (including any applicable default interest, fees and costs and expenses) to the Debenture Trustee and the Debenture Holder(s) pursuant to the terms of this Deed.

2.3 INTEREST

- 2.3.1 The Debenture Holder(s)/Beneficial Owners(s) shall be paid interest in accordance with the provisions under Clause 10.10 of this Deed and the [Disclosure Document/Prospectus/ Offer Letter].

- 2.3.2 Interest and all other charges shall accrue from day to day and shall be computed on the basis of actual number of days elapsed, in a year of 365 days year or 366 days (in case of leap year), as the case may be. The interest for the last broken period shall be payable at the time of Redemption of said Debentures.

- 2.3.3 Any payments to be made to the Debenture Holder(s)/Beneficial Owner(s), including payment of interest, payment upon Redemption, shall be made by the Company using the services of electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT) or any other permitted electronic method as offered by Debenture Holder(s) / Beneficial Owner(s) into such bank account of a Debenture Holder/Beneficial Owner as may be notified to the Company by such Debenture Holder/Beneficial Owner or the Trustee at the time of applying to the Debentures or as may be notified to the Trustee, subsequently through a valid communication channel.

2.4 FORM OF THE DEBENTURES

- 2.4.1 The Debentures, if in dematerialized form, be issued by crediting the demat accounts of the Debenture Holder(s)/Beneficial Owner(s) and the same shall be issued by the Company by following the procedure stipulated for issuance of the Debentures in demat form, as more particularly described in Part – “B” of the **Second Schedule** hereunder written. However, in case where the allotment letter has been issued and debenture certificate is to be issued after registration of charge, the Debenture certificates have to be dispatched by the Issuer to the debenture holders within 30 days of the registration of the charge with the Registrar of Companies or within such earlier timelines as prescribed under applicable SEBI regulations. Where the Debentures are issued in the dematerialized form, the guidelines issued by the Depository shall be followed.

- 2.4.2 The principal amount of the Debentures, together with redemption premium, interest due, if any, (inclusive of penal interest where applicable) and all other monies hereby secured shall, as between the holders of the Debentures, *inter se rank pari passu* without any preference or priority whatsoever on account of date of issue or allotment or otherwise.

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

- 2.4.4 The Company has entered into depository arrangements with the Depository for the issue of the Debentures in dematerialized form. The Debenture Holder(s) who hold the Debentures in dematerialized form will deal with the same as per the provisions of the Depositories Act, 1996, the regulations thereunder and the rules and bye-laws of the Depository.

2.5 ISSUANCE OF DEBENTURE/ DEBENTURE CERTIFICATES

2.5.1 In Dematerialized Form

The Company shall immediately on allotment of Debentures, take reasonable steps to credit the beneficiary account of the Beneficial Owner(s) with the Depository Participant as mentioned in the application form, with the number of Debentures allotted within a period of three days from the date of allotment of debentures.

2.6 TRANSFER OF DEBENTURES

The Debentures shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the equity shares of the Company.

Debentures in dematerialized form, transfers of Debentures may be effected only through NSDL or CDSL, as the case may be, in accordance with the Depositories Act, 1996 and/or rules as notified by NSDL or CDSL from time to time. The Subscribers shall give delivery instructions containing details of the prospective purchaser's depository participant's account to his depository participant. For Debentures in physical form, transfer is by way of a duly executed transfer deed or other suitable instrument of transfer as may be required by the Issuer for the registration of transfer of Debentures. Purchasers of Debentures will need to send any debenture certificates to the Issuer or as determined by the Issuer. Debentures may be dematerialized by the purchaser through its depository participant in accordance with applicable laws."

2.7 SURRENDER OF DEBENTURES/ DEBENTURE CERTIFICATE ON PAYMENT

2.7.1 In Dematerialized Form

For payment to the Beneficial Owner(s) in full discharge of all principal moneys and interests due upon their Debentures, the Company shall make the payment of principal amount to the Beneficial Owner(s) of Debentures or to any subsequent transferee who are entitled to receive the payment on the due date of Redemption on receipt of the necessary corporate debit action from the Debenture Holder.

2.8 FAILURE TO SURRENDER THE DEBENTURES/ DEBENTURE CERTIFICATES

2.8.1 In the event of any Debenture Holder(s) not surrendering such Debenture certificate or the Beneficial Owner(s) failing to undertake necessary corporate debit action, in respect of any Debentures which the Company is ready to pay or satisfy in accordance with the terms of these presents, to the Company, within thirty days after the Final Redemption Date, the Company shall be at liberty to deposit in a scheduled bank in the name of the Trustee in an account, which shall be operated by the Trustee for the purpose, an amount equal to the amount due to such Debenture Holder(s)/ Beneficial Owner(s) in respect of such Debentures and upon such deposit being made 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.

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

2.9 LISTING AND CREDIT RATING

2.9.1 The Company has listed/ shall list the Debentures on the [wholesale debt market segment] of National Stock Exchange ("NSE").

2.9.2 The Company shall take all steps for making the listing application to the recognized stock exchange and shall receive approval from the stock exchange for the listing of Debentures, within the timelines specified in the extant SEBI regulations read with the circulars, as may be amended from time to time viz., within 3 Business Days of the Issue Closing Date. The Stock Exchange(s) shall list the Debentures only upon receipt of a due diligence certificate as per format specified by SEBI, from Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed. In case of delay in listing of the Debentures (issued on private placement basis) beyond the timelines specified above, the Company will pay penal interest, to the Debenture Holders, of atleast 1.00% p.a. over the over the Calculated Yield stated in Clause 10.10 hereof from the Deemed Date of Allotment until the listing of such Debentures on the entire outstanding amount pertaining to the Debentures.

2.9.3 The Company undertakes to comply with the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Act and other Applicable Laws on a continuous basis. All expenses, costs,

charges, incurred for the purpose of listing of the Debentures, as also for making the offer for sale of the Debentures shall be borne and paid by the Company.

2.9.4 The Debentures are rated as:

AAA/Stable by ICRA and India Ratings. The rating indicates high degree of safety with regard to timely payment of financial obligations;

The Company agrees that the credit rating shall be reviewed on an annual basis, by a credit rating agency registered by SEBI. Any revision in rating shall be promptly intimated to the Debenture Trustee.

In the event there is any downward revision in the credit rating, the terms of the issue shall be revised in the matter as stipulated in the [Disclosure Document/Prospectus/ Offer Letter].

2.11 **CONDITIONS PRECEDENT, CONDITIONS SUBSEQUENT AND FINANCIAL COVENANTS AND CONDITIONS**

The conditions precedent, conditions subsequent and other Financial Covenants and Conditions specified in Clause 10 of this Deed, shall be binding on the Company and the Debenture Holder(s) and all persons claiming by, through or under it and shall ensure to the benefit of the Trustee and all persons claiming by, through or under them. The Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the conditions precedent, conditions subsequent and other Financial Covenants and Conditions specified in Clause 10 of this Deed as if the same were set out and contained in these presents.

3. **APPOINTMENT, RETIREMENT, RIGHTS, AND DUTIES OF THE TRUSTEE**

3.1 Appointment of Trustee

The Company has appointed the Debenture Trustee as trustee for the Debenture Holder(s) pursuant to the Debenture Trustee Agreement and has also submitted the consents/documents as elaborated in Annexure A of the Debenture Trustee Agreement. The Company appoints Catalyst Trusteeship Limited as the Trustee, and the Trustee agrees to act as trustee for the benefit of the Debenture Holder(s)/Beneficial Owners(s) and their successors, transferees and assigns under the trust HEREUNDER created pursuant to Clause 3.2 below and in such trust capacity, the Trustee agrees and is authorised:

- (a) to execute and deliver this Deed, all other Transaction Documents and all other documents, deeds, instruments, certificates and agreements, contemplated by this Deed or the other Transaction Documents which are to be executed and delivered by the Trustee or as the Trustee shall deem advisable and in the best interests of the Debenture Holder(s)/Beneficial Owners(s);
- (b) to take whatever action as shall be required to be taken by the Trustee in accordance with the Transaction Documents, and subject to the terms and provisions of this Deed and any other Transaction Documents, to exercise its rights and perform its duties and obligations under each of the documents, deeds, agreements, instruments and certificates referred to in this clause (a) above in such documents, agreements, instruments and certificates; and
- (c) subject to the terms and provisions of this Deed and the other Transaction Documents, to take such other action in connection with the foregoing as the Debenture Holder(s) may from time to time direct.
- (d) To comply with all obligations and fulfil the duties which have been imposed on the Debenture Trustee under the Companies Act and the applicable SEBI regulations, as amended.

PROVIDED that before initiating any action or exercising any right or performing any duty under this Deed or any Transaction Documents, the Trustee shall only upon receipt of Majority Debenture Holder(s) instructions/approval initiate any action or exercise its rights and perform its duties and

obligations under each of the documents, agreements, instruments and certificates referred in these presents.

3.2 Declaration of Trust by the Trustee

3.2.1 The Company hereby settles in trust with the Debenture Trustee, a sum of Rs. 1,000/- (Rupees One Thousand only). The Trustee hereby declares and confirms that it has, accepted the above sum of Rs. 1,000/- (Rupees One Thousand only) in trust declared and settled and kept apart the sum being the initial corpus (hereinafter referred to as the “**Initial Contribution**”) of the trust created in terms of this Deed, to have and hold the same for the benefit of the Debenture Holders on such terms as set out herein, together with all additions or accretions thereto including the investments representing the same, subject to the powers, provisions, agreements and declarations herein contained.

3.2.2 The Trustee hereby declares that in relation to the Debenture Holder(s), it shall, as the case may be hold:

- (a) the Initial Contribution;
- (b) the Security created hereunder and under the other Transaction Documents;
- (c) all sums received by it under this Deed (save for any sums received solely for its own account); and
- (d) all monies received by it out of, whether prior to or as a result of enforcement of the Security created hereunder or the exercise of rights and remedies under this Deed,

upon trust and for the benefit of the Debenture Holder(s)/Beneficial Owner(s) and subject to the powers and provisions hereinafter declared and contained and concerning the same, for due payment and discharge of the Secured Obligations.

3.2.3 The Trustee declares that save and except as contemplated under this Deed, it shall not revoke the trust hereby declared till whole of the Secured Obligations is irrevocably discharged and paid in full by the Company to the Debenture Holder/Beneficial Owner and the Trustee under the Transaction Documents.

3.3 Trustee Remuneration

3.3.1 The Company shall pay to the Trustee remuneration as mentioned in the offer letter dated, as may be amended or supplemented from time to time, for their services to act as Debenture Trustee in addition to all legal, travelling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the trust hereof and all other documents pertaining to Debentures and the remuneration shall continue to be payable until the Debenture Trustee hereof shall be finally discharged and whether or not a receiver or a manager shall have been appointed or the trust hereof shall be in course of administration by or under the direction of the court. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, the fees, duty, Taxes and charges of any nature whatsoever payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Deed and/or any such amendment, supplement or waiver.

3.3.2 The Company shall in case of default in payment of stipulated remuneration as detailed hereinabove pay to the Trustee, penalty at the rate as applicable under the Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time, until the actual date of payment.

3.3.3 The Company shall provide upfront to the Trustee all legal, travelling, conveyance and other costs, charges and expenses to be incurred by them, their officers, employees, advisors, experts, consultants or their agents in connection with execution of these presents including costs, charges, expenses of and incidental to the approval and execution of these presents and all other documents affecting the Security herein and the Company hereby agrees to indemnify the Trustee 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 or in relation to the Secured Assets and the Transaction Documents.

3.3.4 The Company shall reimburse all sums paid or expenses incurred by the Trustee or any receiver, attorney, agent or other person appointed by the Trustee for all or any of the purposes mentioned in these presents immediately on receipt of a notice of demand from them in this behalf and all such sums shall carry interest at the rate of interest payable on the Debentures from the date, when the same shall have been paid and until such reimbursement, all such sums shall be a charge upon the Secured Assets in priority to the charge securing the Debentures.

3.4 Retirement and Removal of Trustee

3.4.1 The Trustee hereof may, at any time without assigning any reason and without being responsible for any loss or costs occasioned thereof, resign/retire as the trustee, provided that the Trustee shall give at least 30 (thirty) days previous notice in writing to the Company.

3.4.2 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 Holders in place of the Debenture Trustee with the written consent of the Debenture Holders/Beneficial Owners by a Special Majority. The Trustee shall continue to act as Debenture Trustee until a successor trustee is appointed.

3.4.3 The Company shall appoint an entity registered as a debenture trustee with SEBI under the SEBI (Debenture Trustees) Regulations, 1993 as the debenture trustee. Whenever there shall be more than two Trustees hereof the majority of such Trustee shall be entitled to exercise the powers, authorities and discretions hereby vested in the Trustee.

3.4.4 The Trustee hereof may be removed by the Debenture-holder(s)/Beneficial Owner(s) by a Special Resolution duly passed at a meeting of the Debenture Holder(s)/ Beneficial Owner(s) convened in accordance with the provisions set out in the **Third Schedule** hereunder written. The Company shall appoint such person or persons as may be nominated by such resolution as new Trustee for the purpose hereof.

3.4.5 Upon appointment of the successor trustee pursuant to the preceding Clauses 3.4.2 or 3.4.4 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 and be subject to all duties, liabilities and responsibilities of the Debenture Trustee as if it had been originally appointed as the trustee hereunder.

3.5 Rights and Privileges of Trustee

3.5.1 In addition to the other powers conferred on the Trustee and provisions for their protection, and not by way of limitation or derogation of anything in these presents contained nor of any provisions of the SEBI Act, 1992, Regulations/Circulars made/issued thereunder or any other statute limiting the liability of the Trustee, IT IS EXPRESSLY DECLARED as follows:-

(a) The 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 Trustee or otherwise Any such advice, opinion or information and any communication passing between the Trustee and their representative or attorney or a receiver appointed by them may be obtained or sent by letter, electronic mail, facsimile, or telephonic message and the Trustee, their representative or attorney or the receiver shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, electronic mail, facsimile or telephonic message even if the same suffers from inaccuracy, error, genuineness or any other shortcoming which is unknown to the Trustee;

(b) The Trustee shall be at liberty to accept a certificate signed by any one of the directors of the Company as to any act or matter *prima facie* within the knowledge of the Company as sufficient evidence thereof and a like certificate, that any property or assets are in the opinion of the director so certifying worth a particular sum or suitable for the company's purpose or business as sufficient evidence that it is worth that sum or so suitable and a like certificate to the effect that any particular dealing or transaction or step or thing is in the opinion of the director so certifying expedient as sufficient evidence that it is expedient.

However, if the Trustee has cause to believe that any certificate received has errors and wrongful facts, then the Trustee shall cause an independent verification of the same;

- (c) The Trustee shall have the right to rely on notices, communications, advertisement or any information on the website of the Company or any other related party with respect to issue of Debentures;
- (d) The Trustee shall be at liberty to keep these presents and all deeds and other documents of title relating to any of the properties charged/ to be charged to the Trustee at their registered office or elsewhere or if the Trustee so decides with any banker or company whose business includes undertaking the safe custody of documents or with an advocate or firm of solicitors;
- (e) The Trustee may, with the consent of all the Debenture Holder(s)/ Beneficial Owner(s), at any time, waive on such terms and conditions as it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Trustee or the Debenture Holder(s)/ Beneficial Owner(s) in respect of any subsequent breach thereof;
- (f) The Trustee shall, as regards, all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion, in consultation with Debenture-holder(s)/Beneficial Owner(s), as to the exercise thereof and to the mode and time of exercise thereof and in the absence of fraud shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof;
- (g) In the event of a Governmental Authority taking over the management of the Company and/or the Secured Assets and/or in the event of nationalisation of the Company or its business or a moratorium being passed or in case the running of the business of the Company or its management or control is taken away either as part of any unemployment relief scheme or for any other reason whatsoever, or under the provisions of the Industries (Development and Regulation) Act, 1951 or under any other Applicable Law, the Trustee shall be entitled to receive the whole of the compensation to which the Company shall be entitled and to apply the same or a sufficient portion thereof in accordance with provisions set out in Clause 8.2 below and all monies secured hereunder shall become immediately payable and the security created hereunder shall become enforceable;
- (h) The Trustee hereof being a Company may, in the execution and exercise or all or any of the trusts, powers, authorities and discretion vested in them by these presents act by an officer or officers for the time being of the Trustee and the Trustee may also whenever they think it expedient, delegate by power of attorney or otherwise to any such officer all or any of the trusts, powers, authorities and discretion 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 Trustee may think fit. Any actions of such officers and sub-delegates shall have the same protection as accorded to the Trustee in terms of this Deed;
- (i) The Trustee may, in carrying out the trust business, employ and pay any person to transact or concur in transacting any business and do or concur in doing all acts required to be done by the 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 trust 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 including matters which might or should have been attended to in person by the Trustee;
- (j) Upon proof being given to the satisfaction of the Trustee that all the Secured Obligations, including the Debentures entitled to the benefit of the trusts hereof together with redemption premium, if any, interest and all other monies payable thereunder have been paid off or satisfied in accordance with the tenor thereof and upon payment of all principal, together with redemption premium, if any, interest, liquidated damages, premium, costs, charges and expenses and other amounts under this Deed or the Debentures or the Disclosure Document/Prospectus/ Offer Letter and also the payment of all costs, charges

and expenses incurred by the Trustee or by any Receiver in relation to these presents (including the remuneration of the Trustee and of any Receiver and all interest thereon) and upon observance and performance of the terms and conditions and covenants herein contained, the Trustee shall at the request and cost of the Company and upon receipt of no dues certificate /confirmation from the Debenture Holders, release, re-assign or reconvey to the Company or as the Company may direct or to such other person entitled thereto the Secured Assets or such part thereof as may remain subject to the security hereby created freed and discharged from the trusts and security hereby created;

- (k) The Trustee shall have full power, in consultation with Debenture Holder(s)/Beneficial Owner(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 Trustee) shall be conclusive and binding upon all persons interested under these presents;
- (l) The Trustee and its employees shall not be liable for anything whatsoever except a breach of trust knowingly and intentionally committed or negligence, fraud, breach of terms or misconduct by the Trustee.
- (m) The Trustee may nominate a director on the Board of the Company in terms of Regulation 15(1)(e) of SEBI (Debenture Trustee) Regulations, 1993, at the earliest and not later than one month from the date of receipt of nomination from the Trustee.

3.5.2 To carry on Business

On the happening of any Event of Default and upon the Security hereby constituted becoming enforceable and after the Trustee shall have made entry or taken possession of the Secured Assets and until the Secured Assets shall be sold, called in, collected or converted under the Power of Sale as mentioned in Clause 8.1 of this Deed, the Trustee may, if they shall think fit so to do but not otherwise, either themselves carry on and manage the business of the Company in and with the Secured Assets or any of them or appoint a Receiver to carry on and manage the same and the Trustee or the Receiver may manage and conduct the same as they shall in their discretion think fit.

The Trustee or the Receiver so appointed may for the purpose of carrying on the said business do all or any of the following acts and things viz. —

- a) employ or remove such experts, officers, agents, managers, clerks, accountants, servants, workmen and others and upon such terms with such salaries, wages or remuneration as the Trustee or the Receiver shall think proper;
- b) repair and keep in repair the buildings and other property comprised in the Secured Assets;
- c) insure all or any of the Secured Assets of an insurable nature against loss or damage by fire and against such other risks in such sum or sums as the Trustee or the Receiver shall think fit;
- d) settle, arrange, compromise and submit to arbitration any account, claims, questions or dispute whatsoever which may arise in connection with the said business or the Secured Assets or in any way relating to the security and execute release other discharges in relation thereto;
- e) bring, take, defend, compromise, submit to arbitration and discontinue any actions, suits or proceedings whatsoever, civil or criminal, in relation to the business or any portion of the Secured Assets;
- f) allow time for payment of any debt with or without security;
- g) subject to such consent as may be necessary demise or let out, sub-let or under let the Secured Assets or any part or parts thereof for such terms at such rents and generally in such manner and upon such conditions and stipulations as the Trustee or the Receiver shall think fit;
- h) exchange any part or parts of the Secured Assets for any other security or property suitable for the purposes of the Company whether forming part of the general assets or not and upon such terms as may seem expedient and either with or without payment or receipt of moneys for equality of exchange or otherwise;

- i) assent to the modification of any contracts or arrangements which may be subsisting in respect of any of the Secured Assets and, in particular the terms of any concession or licenses for the time being held;
- j) execute and do all such acts, deeds and things as to the Trustee or the Receiver may appear necessary or proper for or in relation to any of the purposes aforesaid.

The Trustee or the Receiver so appointed may for any of the purposes aforesaid do or cause to be done all such acts and things in respect of the business and Secured Assets as the Trustee/Receiver could do or cause to be done if the Trustee/Receiver had the absolute possession of the Secured Assets and had carried on the said business for the benefit of the Trustee without being answerable for any loss or damage which may happen thereby.

3.5.3 Power of Trustee to borrow

The Trustee may, upon the occurrence of an Event of Default, and the Security being enforceable, with the consent in writing of the Majority Debenture Holder(s) in a meeting convened in accordance with the provisions set out in the **Third Schedule** hereunder written, raise or borrow moneys on the security of the Secured Assets or any part thereof ranking *pari-passu* with or subservient to these presents:

- (a) for the purpose of making any payment under or by virtue of these presents;
- (b) in relation to the exercise of any powers, duties or obligations of the Trustee or the Receiver;
- (c) otherwise in relation to the Secured Assets or these presents;
- (d) for the purpose of paying off or discharging any mortgages or charges for the time being on the Secured Assets or any part thereof; and / or
- (e) any costs, charges and expenses which shall be incurred by the Trustee under or by virtue of these presents

The Trustee may raise and borrow such moneys as aforesaid at such rate or rates of interest and generally on such terms and conditions as the Trustee shall think fit.

3.6 Duties of Debenture Trustee

3.6.1 In performing its obligations in relation to the Debentures, the Debenture Trustee shall:

- (a) perform its duties and obligations, and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the Debenture Holder(s), and shall further conduct itself, and comply with the provisions of all Applicable Law, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee;
- (b) carry out its duties and perform its functions as required to discharge its obligations under the terms of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2008, SEBI (Debenture Trustees) Regulations, 1993, SEBI Defaults (Procedure) Circular, the SEBI REF Circular the Debenture Trustee Agreement, SEBI Operational Framework Circular, the [Disclosure Documents/ Offer Letter/ Prospectus] and all other related Transaction Documents, with due care, diligence;
- (c) call for and obtain periodic status/ performance reports / valuation reports / utilization reports or any other documents from the Company, as may be required by the Debenture Trustee to comply with its obligations under the Applicable Laws including for monitoring of the Security Coverage Ratio and the creation and maintenance of Security, Recovery Expense Fund and Debenture Redemption Reserve in relation to the Debentures;
- (d) issue letters / confirmations / no objection certificate, or any other communication as requested by the Company in accordance with the Transaction Documents;
- (e) ascertain and:

- i. exercise due diligenceto the extent required under Applicable Law, to ensure compliance by the Company, with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, SEBI (Debenture Trustees) Regulations, 1993 this Deed or any other regulations issued by SEBI in the issue and allotment of the Debentures and credit of the Debentures in the demat accounts of the Debenture Holder(s);
 - ii. satisfy itself that interest due on the Debentures have been paid to the Debenture Holder(s) on or before the due dates];
 - iii. satisfy itself that Debenture Holder(s) have been paid the monies due to them on the date of Redemption of the Debentures.
- (f) exercise independent due diligence as required under Applicable Law, to ensure that Security to be created is free from any encumbrance or that Company has obtained the necessary consent from other charge-holders if the Security has an existing charge, prior to creation of the Security pursuant to this Deed;
- (g) communicate promptly to the Debenture Holder(s) defaults, if any, with regard to payment of interest or Redemption of Debentures or occurrence of any other Event of Default which is known to the Trustee along with all information relating to cure periods (if any) and action taken or proposed to be taken by the Trustee therefor;
- (h) carry out all its obligations, duties and functions as the Debenture Trustee in accordance with the terms set out in the Transaction Documents and where the same is silent or contrary to any other provision of the Transaction Documents, on the instructions of the Majority Debenture Holder(s);
- (i) not do any act, deed or thing which is prejudicial or detrimental to the interest of the Debenture Holders and at all times act in the best interest of the Debenture Holder(s);
- (j) shall not relinquish its assignment unless and until another debenture trustee has been appointed in its place;
- (k) take possession of Secured Assets in accordance with the provisions of this Deed, the Transaction Documents and Applicable Law;
- (l) inform SEBI immediately of any breach of this Deed or provision of any Applicable Law, which comes to its knowledge, if required under Applicable Laws;
- (m) keep all customary books and records relating to the receipt and distribution of all moneys which it may receive or be entitled to hereunder or under any Transaction Documents;
- (n) convene a meeting of the Debenture Holder(s) in accordance with Applicable Laws;
- (o) seek the status of payment from the Company and/or conduct independent assessment (viz., from the Account Bank, Debenture Holders, rating agencies etc.) to determine if the Company fails to intimate the status of payment of the Debentures within 1 (one) working day of the Redemption Date. Based on such assessment, the Debenture Trustee shall intimate stock exchange(s) and Depository the status of payment within 9 (nine) working days of the Redemption Date or within such other revised timelines as may be prescribed under Applicable Law. Further, for continuous assessment of default status, the Debenture Trustee shall conduct independent assessment as given above and intimate the status of payment to the stock exchange(s) and Depository within 7th working day of April of each financial year, if the Company fails to provide the updated status of the payment of the Debentures within the 2nd working day of April of the relevant financial year;
- (p) subject to the approval of the Debenture Holder(s) and the conditions as may be specified by SEBI from time to time, enter into inter-creditor agreements provided under the framework specified by the RBI on behalf of the Debenture Holders;
- (q) issue a 'No Objection Certificate (NOC)' to the designated stock exchange for refund of balance in the Recovery Expense Fund to the Company on repayment of Secured Obligations in full to the satisfaction of the Debenture Holders. The Debenture Trustee

shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing such NOC;

- (r) keep the information (pertaining to the details of bank account(s)) provided to it pursuant to the SEBI Operational Framework Circular as confidential and shall use the same only to the extent as required under the SEBI Operational Framework Circular; and
- (s) perform such acts as may be necessary for the protection of the interest of the Debenture Holder(s) and do all other acts as may be necessary in order to resolve the grievances of the Debenture Holder(s).

3.7 Power of Trustee to appoint Receiver

Subject to the provisions of section 69A of the Transfer of Property Act, 1882, and to such of the provisions of law as may, for the time being, be applicable the Trustee, at any time after the Security hereby constituted becomes enforceable and whether or not the Trustee shall then have entered into or taken possession of the Secured Assets and in addition to the power hereinbefore conferred upon the Trustee after such entry into or taking possession may, in writing appoint any officer(s) of the Trustee or any other person(s) as Receiver(s) of the Secured Assets or any part thereof and remove any Receiver(s) so appointed and appoint any such other person(s) in his or their stead and unless the Trustee shall otherwise prescribe in writing, such Receiver(s) shall have all the powers hereinbefore conferred upon the Trustee. All the provisions and powers hereinbefore declared in respect of a Receiver appointed by the Trustee after entering into or taking possession by the Trustee shall apply to a Receiver appointed before entering into or taking possession by the Trustee and in particular such Receiver shall be deemed to be the agent of the Company which shall be solely responsible for his acts and defaults and for his remuneration. In addition to the foregoing, the following provisions shall also apply to such Receiver:

(a) **Appointment before or after possession:**

Such appointment may be made either before or after, the Trustee shall have taken possession, of the Secured Assets or any part thereof.

(b) **Receiver to be invested with powers by Trustee:**

Such Receiver may be invested by the Trustee with such powers and discretions including powers of management as the Trustee may think expedient.

(c) **Receiver to exercise powers vested in Trustee:**

Unless otherwise directed by the Trustee the Receiver shall have and may exercise all the powers and authorities vested in the Trustee.

(d) **Receiver to conform to regulations made by Trustee:**

The Receiver shall, in the exercise of his powers, authorities and discretions, conform to the regulations and directions made and given by the Trustee from time to time.

(e) **Receiver's remuneration:**

The Trustee may, from time to time, fix remuneration of the Receiver and direct payment thereof out of the Secured Assets, but the Company alone shall be liable for the payment of such remuneration.

(f) **Receiver to give security:**

The Trustee may, from time to time and at any time, require the Receiver to give security for the due performance of his duties as such Receiver and may fix the nature and the amount of the security to be given, but the Trustee shall not be bound in any case to require any such security.

(g) **Receiver to pay the monies:**

Unless otherwise directed by the Trustee all monies from time to time received by such Receiver shall be paid over to the Trustee to be held by them UPON TRUST herein declared of and concerning the monies arising from any sale, calling in, collection or conversion.

(h) **Trustee may pay monies to Receiver:**

The Trustee may hand over to the Receiver any monies constituting part of the Secured Assets to the extent that the same may be applied for the purposes hereof by such Receiver and the Trustee may, from time to time, determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver.

(i) **Receiver's power to borrow on Secured Assets:**

Subject as provided herein the Receiver may for the purpose of carrying on the business of the Company as mentioned in (b) above, for defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in exercise of the powers, authorities and discretion vested in him and for all or any of the purposes raise and borrow monies on the security of the Secured Assets or any part thereof at such rate or rates of interest and generally on such terms and conditions as he may think fit and no person lending any such money shall be concerned to inquire as to the propriety or purpose of the exercise of the said power or to see to the application of any monies so raised or borrowed; provided that the Receiver shall not exercise the said power without first obtaining the written consent of the Trustee but the Trustee shall incur no responsibility or liability to any Debenture Holder or otherwise by reason of their giving or refusing such consent whether absolutely or subject to any limitation or condition.

(j) **Receiver Agent of the Company:**

Every Receiver shall be the agent of the Company for all purposes and the Company alone shall be responsible for his acts (unless arising out of the negligence, fraud, breach of trust or wilful default on part of the Receiver) and liable on any contract or engagement made or entered into by him and for his remuneration and the Trustee and the Debenture Holder(s)/ Beneficial Owner(s) shall not incur any liability or responsibility therefor by reason of their making or consenting to his appointment as such Receiver.

(k) **Applicability of Transfer of Property Act, 1882:**

Subject as aforesaid the provisions of the Transfer of Property Act, 1882 and the powers thereby conferred on a mortgagee or Receiver shall, so far as applicable, apply to such Receiver.

3.8 Power of Trustee upon execution being levied

In addition to the powers hereinbefore given, the Trustee may, upon the occurrence of an Event of Default, enter into or take possession of and hold or appoint a Receiver to take possession of and hold any part or parts of the Secured Assets which may at any time appear to them to be in danger of being taken under any process of law by any creditor of the Company or be otherwise in jeopardy and where a Receiver is appointed under this Clause, the provisions of Clause 3.7 above, shall apply *mutatis mutandis* and the Trustee may at any time give up possession or discharge the Receiver.

3.9 Trustee and Receiver not liable to account as mortgagees in possession

The Trustee shall not, nor shall any Receiver as aforesaid, be liable by reason of the Trustee or such Receiver entering into or taking possession of the Secured Assets or any part or parts thereof to account for anything, except actual receipts or be liable for any loss upon realisation or for any default or omission for which a security holder might be liable.

3.10 Trustee may give up possession

If and when the Trustee shall have taken possession of the Secured Assets under the powers conferred upon the Trustee by these presents, the Trustee, with the authority of a Special Resolution of the Debenture holder(s) /Beneficial Owner(s) passed at a meeting convened in accordance with the provisions set out in the **Third Schedule** hereunder written or with the consent in writing of the holder(s)/owner(s) of Debentures representing not less than three-fourths in value of the nominal amount of the Debentures for the time being outstanding may at any time afterwards give up possession of the Secured Assets or any of them or any part or parts thereof to the Company either unconditionally or upon such terms and conditions as may be specified in such resolution or consent.

4. EVENTS OF DEFAULT

4.1. The occurrence of any one of the following events shall constitute an “**Event of Default**” by the Company:

4.1.1 Default in redemption of debentures

Default shall have occurred in the Redemption of the Debentures together with redemption premium, if any, as and when the same shall have become due and payable.

4.1.2 Default in payment of interest

Any default by the Company in the payment of any installment of interest of the Debentures, as and when the same shall have become due and payable.

4.1.3 Default in performance of covenants and conditions

Default shall have occurred in the performance of any material covenants, conditions or agreements on the part of the Company other than any payment defaults under this Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/Beneficial Owner(s)/ Debenture Trustee and the same is not cured within 30 (Thirty) days.

4.1.4 Company ceases to carry on business

If the Company ceases with/without the consent of the Debenture Holder(s), or threatens (in writing) to cease to carry on its business or gives notice of its intention to do so.

4.1.5 Inability to pay debts

If the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into insolvency or liquidation have been admitted by any competent court or a special resolution has been passed by the shareholders for winding up of the Company or for filing an application to initiate insolvency resolution process of the Company or it is certified by the statutory auditors that the liabilities of the Company exceed its assets indicating the inability of the Company to discharge its obligations under this Deed and such default has not been set right by the Issuer within 30 (thirty) days of the Company receiving a notice to this effect from the Debenture Trustee.

4.1.6 Proceedings against Company

The Company shall have voluntarily or involuntarily become the subject of proceedings under bankruptcy or insolvency law, or has suffered any action taken for its reorganization, insolvency, liquidation or dissolution except an application filed by an operational creditor of the Company for initiation of corporate insolvency resolution process in respect of the Company, which has been disputed by the Company and gets dismissed within 30 days from the commencement of such proceedings; or.

A receiver or resolution professional or liquidator is appointed or allowed to be appointed in respect of all or any part of the undertaking of the Company and the appointment has not been stayed, quashed or dismissed within 30 (thirty) days from the date of such appointment.

4.1.7 Security is in jeopardy

- (a) When the Company creates or attempts to create any charge on the Secured Assets or any part thereof, other than the Permitted Security Interest, without the prior approval of the Trustees/Debenture Holder(s) or if, in the reasonable opinion of the Debenture Trustee, the Security is in jeopardy or the Security Coverage Ratio is not maintained by the Company and cannot be remedied or cured; and
- (b) If any Security Document once executed and delivered, ceases to be in full force and effect or fails to provide the Debenture Trustee and the Debenture Holder(s)/Beneficial Owners(s) with the Security Interest intended to be created thereby and cannot be remedied or cured.

4.1.8 Misleading Information

Any information given by the Company in the Disclosure Documents/Prospectus/ Offer Letter, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/Beneficial Owner(s) for availing financial assistance by way of subscription to the Debentures is or proves to be materially misleading or incorrect in any material respect or is found to be incorrect.

4.1.9 Attachment or Distraint

If an attachment or distraint is levied on the Secured Assets or any material part thereof and / or certificate proceedings are taken or commenced for recovery of any dues from the Company.

- 4.1A The Company shall have the right to cure the defaults mentioned in Clause 4.1 within the cured periods mentioned thereunder. Further, it is hereby clarified that in case the Company fails to cure any of the defaults mentioned in Clause 4.1 above within their respective cure periods in accordance thereof, the Debenture Trustee shall seek written instructions from the Majority Debenture Holders or pass a resolution by holding a meeting or through E-voting to serve a notice to the Company to accelerate the payments due and payable for with under this Deed ("**Default Notice**"). If the Company fails to make payments required to be made pursuant to the Default Notice, the Debenture Trustee may declare the same as an event of default ("**Event of Default**") under the terms of this Deed.

For the purposes of Default Notice, the Debenture Trustee shall obtain consent in writing of the Debenture Holders representing not less than 3/4th in value of the Outstanding amount of the Debentures for the time being outstanding, or by a special resolution duly passed at the meeting of the Debenture Holders convened in accordance with the provisions set out in Third Schedule and as per applicable regulations of this Deed.

4.2. Consequences of Events of Default

- 4.2.1 After the occurrence of an Event of Default under Clause 4.1 above, and the expiry of cure periods (if any) the Debenture Trustee shall send a notice to the Debenture Holder(s)(along with a copy to the Company) within 3 (three) days of the Event of Default by registered post/acknowledgement due or speed post/acknowledgement due or courier or hand delivery with proof of delivery or through email as a text or as an attachment to email with a notification including a read receipt, and proof of dispatch of such notice or email, shall be maintained.

- 4.2.2 The notice shall contain the following:

- (a) request for negative consent for proceeding with the enforcement of security;
- (b) request for positive consent for signing of the ICA;
- (c) the time period within which the consent needs to be provided by the Debenture Holder(s), viz. consent to be given within 15 days from the date of notice or such revised timelines as prescribed under Applicable Law; and
- (d) the date of meeting to be convened (which shall be within 30 days of the occurrence of Event of Default).

Provided that in case the Event of Default is cured between the date of notice and the date of meeting, then the convening of such a meeting may be dispensed with.

4.2.3 The Debenture Trustee shall take necessary action of either enforcing the Security or entering into the ICA or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a representative committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions [which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s) from time to time.

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

4.2.4 The Trustee shall also have the following rights (notwithstanding anything in these presents to the contrary):

- (a) to enter upon and take possession of the Secured Assets as per the provisions of this Deed;
- (b) to enforce any Security created pursuant to the Security Documents in accordance with the terms thereof, as may be set out therein, towards Repayment of the Secured Obligations;
- (c) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company, in the manner more particularly set out in Clause 10.22 of this Deed; to initiate any enforcement action including without limitation under SARFAESI Act, 2002, Insolvency and Bankruptcy Code, 2016 (wherever applicable), sale without intervention of Court under Section 69 of Transfer of Property Act, 1882 or any other Applicable Law;
- (d) to levy default interest on overdue amounts as per the terms of issue; and
- (e) Debenture Trustee to appoint a nominee director on the Board in the event of:
 - i. Default in creation of Security; or
 - ii. Default in redemption of Debentures;
 - iii. Two consecutive defaults in interest payment of Debentures.

The nominee director shall not be required to hold qualification shares and not be liable to retire by rotation.

4.2.5 The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security.

4.2.6 All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred in connection with:-

- (a) preservation of the Secured Assets (whether then or thereafter existing); and
- (b) collection of amounts due under this Deed,

shall be payable by the Company.

4.2.7 Without prejudice to the obligation of the Trustee to monitor the Security Coverage Ratio and the Security in respect of the Debentures and to take necessary enforcement actions in accordance with the Transaction Documents, it is hereby clarified that the Trustee shall not be liable in any manner to guarantee the recovery of the entire outstanding amounts in relation to the Debentures.

4.2.8 Upon the payment of the amounts due and payable by the Company under this Deed the Debenture Trustee shall release the charge over the Hypothecated Assets and execute the necessary documents required to evidence such release of charge.

4.3. **EARLY REDEMPTION:**

If, one or more of the events specified herein (each, an “**Early Redemption Event**”) occurs, the Company shall have an obligation to Redeem all the Debentures, the Debenture Trustee shall send a written notice for redemption of the Debentures (“**Early Redemption Notice**”) on receiving the request of such redemption from the Majority Debenture Holders, subject to applicable laws and RBI regulations.

Subject to applicable law, the Company shall Redeem all the debentures and repay all amounts including the Principal Amount and Interest thereon within [14] days from the date of request of such redemption from the majority Debenture Holders.

- (a) If the Company undertakes Reorganisation, other than Permitted Reorganisation; and/or
- (b) Upon mutual consent of the Company and the Debenture Holders.

On the Early Redemption Date, the Company shall repay all the Principal Amounts and the Interest due and payable on the outstanding debentures.

4.4. **FORCE MAJEURE REDEMPTION:**

On the happening of Force Majeure Event, the Issuer shall have the following rights:

- (i) To extend or delay for a period of 3 months from the date of actual payments (of such principal amounts and/or interest amounts that may be due and payable) all or part of the Outstanding Principal Amounts and/or Interest Amounts due and payable in respect of the Debentures. Provided that any extension of such repayment terms beyond a period of 3 months from the actual due date of such payments shall require Debenture Holder(s) prior written consent; or
- (ii) Option at its sole discretion and at any time upon the trigger and/or during the subsistence of the Force Majeure Event for redeem all the debentures.
- (iii) Provided that
 - (a) The Issuer shall, to the extent possible and reasonable, ensure that the Debenture Holder(s) receives the yield on their investment under the terms of the Offer Document.
 - (b) The Issuer shall notify the Debenture Trustee of the occurrence of Force Majeure Event within 14 Business Days of identifying the event as a Force Majeure Event.

The Debenture Trustee and the Debenture Holder(s) shall maintain full confidentiality with respect to occurrence of Force Majeure Event.

Ensuing Force Majeure Event if any relevant government authority(ies) and /or agency(ies) provides an option and/ or mandates any waiver and/ or relaxation in any manner, in respect of the obligations and/or performance of the Issuer under this Deed, the Issuer shall, have a right to opt for/request such waiver and/ or relaxation from the Trustee which shall not be withheld by the Trustee and/or Debenture Holders and shall provide to the Issuer such waiver and/or relaxation under any such notifications or advisories by any relevant regulatory agency or authority.

5. **COVENANTS**

5.1. **General Undertakings/ Obligations**

- 5.1.1. The Company shall as required by Section 88 of the Act, keep at its registered office/ corporate office a Register of the Debenture Holder(s) holding Debentures, in physical form showing (a) the name and address and the occupation, if any, of each holder, (b) the amount of the Debentures held by each holder distinguishing each Debenture by its number and the amount paid or agreed to be considered as paid on those Debentures, (c) the date on which each person was entered in the Register as a Debenture Holder, (d) the date on which any person ceased to be a Debenture Holder, and (e) the subsequent transfers and changes of ownership thereof.

The Debenture Trustee and/or the Debenture Holder(s) or any of them or any other person shall, as provided in Section 94 of the Act, be entitled to inspect the said Register and to take copies of or extracts from the same or any part thereof during usual business hours. The Register may be closed by the Company at such time and for such periods as it may think fit in accordance with the provisions of the Act after giving not less than 7 days' previous notice or such notice as prescribed under Applicable Law by advertisement in some newspaper circulating in the district in which the Company's registered office is situated. No transfer will be registered during such period when the register of Debenture Holder(s) remains closed.

- 5.1.2. The Company shall request the Depository to provide a list of Beneficial Owner(s) showing (a) the name and address and the occupation, if any, of each Debenture Holder, (b) the amount of the Debentures held by each Debenture Holder distinguishing each Debenture by its number and the amount paid or agreed to be considered as paid on those Debentures, (c) the date on which each person was entered in the list as a Debenture Holder, (d) the date on which any person ceased to be a Debenture Holder, and (e) the subsequent transfers and changes of ownership thereof, as at the end of day 1 day prior to the start of the book closure period or at the Record Date, as the case may be. This shall be the list which shall be considered for payment of interest and Redemption of Debentures.
- 5.1.3. The Company shall keep proper books of account as required by the Act and make true and proper entries therein of all dealings and transactions of and in relation to the Secured Assets and the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Company will ensure that all entries in the same relating to the Secured Assets and the business of the Company shall at reasonable times be open for inspection of the Trustee and such person or persons, as the Trustee shall, from time to time, in writing for that purpose appoint.
- 5.1.4. The Company shall comply with all applicable directions, regulations and guidelines issued by any Governmental Authority including but not limited to the issue of Debentures.
- 5.1.5. So long as the Debenture Holder(s) continue to hold the Debentures, the Company agrees and undertakes to comply with all Applicable Laws including the Companies Act, 2013, all provisions of applicable SEBI regulations including SEBI (Debenture Trustee) Regulations, 1993 (as amended from time to time), SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2008 (as amended from time to time), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the debt listing agreement entered into with the stock exchanges (where the Debentures are listed/ proposed to be listed). This Deed is also subject to such guidelines as may be issued by SEBI, Government of India, such other statutory or regulatory authorities from time to time.
- 5.1.6. Company shall transfer unclaimed interest/dividend to "Investor Education and Protection Fund" as per Section 125 of the Companies Act 2013 and shall not forfeit unclaimed interest/dividend.
- 5.1.7. Pursuant to Section 71 of Companies Act and Rule 18 (7) of Companies (Share Capital and Debentures) Rules, 2014, as amended, a non-banking financial company registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997, is not required to create a **debenture redemption reserve** in respect of privately placed debentures. In accordance with the aforesaid provisions, the Issuer is not creating a debenture redemption reserve for the issuance of Debentures under this Deed and the Offer Document.
- 5.1.8. The Company shall create and maintain a reserve to be called the "**Recovery Expense Fund**" as per the provisions of and in the manner provided in the SEBI (Debenture Trustee) Amendment Regulations, 2020, the SEBI REF Circular and any guidelines and regulations issued by SEBI, as applicable. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. The Company shall submit to the Trustee certificate duly certified by the statutory auditors/independent chartered accountant/letter from designated stock exchange certifying creation and the form of such Recovery Expense Fund by the Company prior to the opening of the issue. The balance in the Recovery Expense Fund shall be refunded to the Company on repayment of Secured Obligations to the Debenture Holders for which a 'No Objection Certificate (NOC)' shall

be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee(s) shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the said NOC.

- 5.1.9. The Company hereby agrees and undertakes that, if during the currency of these presents, any further guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of Debenture Redemption Reserve and investment of the monies lying therein and/or Recovery Expense Fund, the Company shall duly abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Holder(s)/ Beneficial Owner(s) or the Trustee.
- 5.1.10. The Company shall take all steps for completion of the formalities for listing and commencement of trading at all the concerned stock exchange(s) in respect of the Debentures.
- 5.1.11. The Company shall ensure, and/or cause the Registrars to an issue and Share Transfer Agent to forward the details of Debenture Holder(s) to the Debenture Trustee at the time of allotment and thereafter by the seventh working day of every next month in order to enable Debenture Trustee to keep its records updated and to communicate effectively with the Debenture Holders, especially in situations where Events of Default have occurred.
- 5.1.12. The Company hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely Repayment of the Secured Obligations or to create a charge on the Secured Assets or there is a revision of rating assigned to the Debentures, the Trustee shall, be entitled to disclose the information to the Debenture Holder(s) and the general public by issuing a press release, placing the same on their websites and with the credit rating agencies.
- 5.1.13. The Company shall maintain a functional website containing correct and updated information as required by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other Applicable Laws.
- 5.1.14. The Company shall give an undertaking in the Disclosure Document/Prospectus/Offer Letter (as the case may be) that the Secured Assets are free from any encumbrances, and in cases where such assets are already charged to secure a debt, the permission or consent, where required to create a second or *pari-passu* charge on the Secured Assets has been obtained by the Company from its existing charge holders.
- 5.1.15. The Company hereby irrevocably and unconditionally appoints the Trustee to be the lawful 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 Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts of obligations declared or imposed upon the Company by these presents or of giving to the Debenture Holder(s)/ Beneficial Owner(s) or to the 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 Trustee or any Receiver appointed by them.
- 5.1.16. Subject to the Applicable Law, the Company may at its discretion by giving 15 (fifteen) days' notice or such notice as prescribed under Applicable Law, seek the rollover of any or all the Debentures. If the proposed roll over of the Debentures is approved by the Debenture Holder(s) by passing of a Special Resolution by them, the Company shall roll over the debentures in accordance with the approval of the Debenture Holders. Provided however that the Company shall redeem the Debenture(s) of all the Debenture Holder(s), who have not given their positive consent to such roll-over.
- 5.1.17. The Company shall pay all such stamp duty as applicable on the Debentures and execution of this Deed and shall pay all such stamp duty (including any additional stamp duty, if any), 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 in which its properties are situated or otherwise, and in the event of the Company failing to pay such stamp duty, other duties, Taxes and penalties as aforesaid, the Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Trustee on demand.

5.1.18. The Company undertakes that it shall:

- a) create all Security and execute all the Security Documents as may be required by the Trustee as per the terms hereof and shall ensure that all Transaction Documents, when executed, shall constitute its legal, valid and binding obligations under Applicable Law;
- b) attend to the complaints received in respect of the Debentures expeditiously and satisfactorily.
- c) duly cause these presents to be registered in all respects so as to comply with the provisions of the Act and also cause these presents to be registered in conformity with the provisions of the Indian Registration Act, 1908 or any act, ordinance or regulation applicable in any part of India, within which any portion of the Secured Assets are or may be situated, by which the registration of deeds is required and generally do all other acts (if any) necessary for the purpose of assuring the legal validity of these presents.
- d) have no objection and hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely Repayment of the Secured Obligations:
 - (i) the Trustee shall, as the Trustee may deem appropriate and necessary, be entitled to disclose all or any:
 - (1) information and data relating to the Company,
 - (2) information or data relating to this Deed;
 - (3) default committed by the Company in discharge of the obligations under the Transaction Documents, to Credit Information Bureau (India) Limited ("CIBIL") and any other agency authorised in this behalf by RBI;
 - (ii) CIBIL and / or any other agency so authorised may use, process the aforesaid information and data disclosed by the Trustee in the manner as deemed fit by them;
 - (iii) CIBIL and / or any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to the Trustee, and other credit grantors or registered users, as may be specified by RBI in this behalf;
 - (iv) the Trustee and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the guarantor (including its directors) as the case may be, as defaulters, in such manner and through such medium as the Trustee or RBI in their absolute discretion may think fit;

5.1.19. The Company agrees that no immunity (if acquired) shall be claimed by it or on its behalf with respect to its assets in any proceedings in relation to its obligations under the Transaction Documents and shall waive any such right of immunity which it or its assets has or may acquire. The execution of this Deed constitutes, and the exercise of its rights and performance of and compliance with its obligations under this Deed will constitute, private and commercial acts done and performed for private and commercial purposes.

5.1.20. The Company declares and undertakes that it has obtained the necessary permissions as may be required, for entering into the Transaction Documents, and shall execute the same within the time frame prescribed under the relevant SEBI regulations and circulars and furthermore, shall submit such Transaction Documents to the stock exchange for uploading on its website (as applicable), within 5 (five) days of execution of the same.

5.2. **Information Covenants**

The Company shall provide the relevant information set out in the Fifth Schedule hereto, in the manner and within the time period stipulated therein.

5.3. **Negative Covenants**

5.3.1. The Company shall not, without prior intimation to the Debenture Trustee, make any substantial change in the nature and conduct of its business (from what is being carried out as on the date hereof) other than the objects as set out in its Memorandum of Association.

- 5.3.2. The Company shall not, without the prior consent of the Debenture Trustee, enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise encumber or charge or dispose the Secured Assets or any part thereof;
- 5.3.3. The Company shall not make any material modification to the structure of the Debentures in terms of coupon, conversion, Redemption, or otherwise without the prior approval of the stock exchange and such prior approval of the stock exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Companies Act, 2013 including approval of the requisite majority of Debenture Holder(s). Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.
- 5.3.4. The Company shall not, without the prior consent of the Debenture Trustee, make any investment by way of deposits, loans, bonds, share capital, or in any other form upon the occurrence of any Event of Default (which is not waived or cured).
- 5.3.5. The Company shall not create further charge or encumbrance of the Secured Assets other than the Permitted Security Interest, without prior approval of the Trustee and the Debenture Holder(s) /Beneficial Owners.
- 5.3.6. The Company shall so long as the Debentures are outstanding, not declare any dividend to the shareholders in any year until the Company has paid or made satisfactory provision for the payment of the instalments of principal and interest due on the Debentures.
- 5.3.7. Company shall not, without the prior consent of the Debenture Trustee, carry out any amendments or alterations to the memorandum of association and articles of association, which would impact the consummation of the transactions contemplated under the Transaction Documents or otherwise prejudice/impact the rights/interest of the Debenture Holders.
- 5.3.8. Company shall not, without the prior consent of the Debenture Trustee, voluntarily wind up or liquidate or dissolve its affairs or make any filing for initiation of corporate insolvency resolution process or liquidation under the Insolvency and Bankruptcy Code, 2016 or under any other Applicable Laws.

6. COMPANY'S REPRESENTATIONS AND WARRANTIES

6.1. Representations

On the date hereof and on every Redemption Date and date for payment of coupon, the Company makes the representations and warranties to the Trustee as set out hereto:-

a. Status

The Company is a company, duly incorporated and validly existing under the law of its jurisdiction of incorporation, and has the right to own its assets and carry on its business as it is being conducted, under the law of its jurisdiction of incorporation.

b. Binding obligations

The obligations expressed to be assumed by the Company under each of the Transaction Documents, to which it is a party, are legal, valid, binding and subject to any general principles of law limiting its obligations.

c. Non-conflict with other obligations

The entry into and performance by the Company of, and the transactions contemplated by, the Transaction Documents to which it is a party, do not and will not conflict with:

- (i) any Applicable Law or order, writ, injunction or decree of any court or Governmental Authority having jurisdiction over the Company;
- (ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets,

d. Validity and admissibility in evidence

All authorisations required or desirable to make the Transaction Documents to which the Company is a party, admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.

e. No Event of default

(i) No Event of Default is continuing or might reasonably be expected to result from the entering into or performance by the Company of any of the Transaction Documents.

f. No misleading information

(i) Any factual information provided by or on behalf of the Company in connection with the issue of the Debentures are true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(ii) Nothing has been omitted from any information provided to the Debenture Trustee and no information has been given or withheld that results in such information being untrue or misleading in any material respect

g. No proceedings pending or threatened

No litigation, arbitration, investigative or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, would substantially affect the Company's ability to redeem the Debentures or have a materially adverse effect on the financial condition of the Company, have (to the best of its knowledge and belief after due and careful enquiry) been started or threatened (in writing) against the Company.

h. Title

The Company has good and marketable title to the Secured Assets.

i. No immunity

The Company's assets are not entitled to immunity from suit, execution, attachment or other legal process India.

j. Solvency

The Company has not taken any corporate action for its winding-up, dissolution, administration, or for appointment of receiver, administrator of the Issuer or all or any of its assets or undertakings.

k. Defaulter's List

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

l. Remuneration/ expenses of Debenture Trustee

The remuneration/ fees/ expenses payable to the Debenture Trustee pursuant to the terms of the Transaction Documents arises on account of the provision of services by the Debenture Trustee and the obligations undertaken by the Debenture Trustee under the Transaction Documents are in the nature of service.

7. TERMS OF SECURITY

7.1. Continuing Security

The Security created/ to be created pursuant to this Deed shall be a continuing security and shall remain in full force and effect until the Secured Obligations are or may become outstanding. The Company hereby undertakes that during the subsistence of the Security created by the Company in favour of the Debenture Trustee, the Company shall not do or suffer to be done or be party or privy to any act, deed, matter or thing which may, in anywise prejudicially affect the Security and the rights created in favour of the Debenture Trustee.

7.2. Other Security

The Security created/ to be created pursuant to this Deed shall be in addition and without prejudice to any other security, indemnity or other right or remedy which any Debenture Holder/Beneficial Owner or the Trustee may now or hereafter hold or have in connection with the Debentures or part thereof, and shall neither be merged in, or in any way exclude or prejudice, or be affected by any other security, right of recourse or other right whatsoever (or the invalidity thereof) which the Debenture Holder(s) or the 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 Debentures. The Security may be enforced against the Company without first having recourse to any other rights of the Debenture Holder(s) or the Trustee, subject to the Company's obligation to create additional security in case of reduction in the security cover.

7.3. Method and Mode of Preservation

- a) The Company undertakes that at all times, it shall have good, legal and beneficial title, or other interest in and to the Secured Assets, in each case, free and clear of any encumbrance or Security Interest (save and except any security existing thereon or on any part thereof, as at the date hereof, Permitted Security Interest or as approved by the Debenture Trustee) and shall ensure on a continuous basis that the property charged to the Debentures is available and adequate at all times to discharge the Secured Obligations.
- b) The Company undertakes to maintain and keep in proper order, repair and in good condition the Secured Assets. If the Company fails to keep in proper order, repair and in good condition the Secured Assets or any part thereof, then the Trustee may, but shall not be bound to, maintain the same in proper order or repair or condition and any expense incurred by the Trustee and its costs and charges therefor shall be reimbursed by the Company.
- c) The Company shall punctually pay all rents, royalties, Taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company, in relation to the Secured Assets, as and when the same shall become payable, and when required by the Trustee produce the receipts for such payments and also punctually pay and discharge all debts, obligations and liabilities which may have priority over the Security created hereunder or under the other Security Documents and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company in respect of or any part of the Secured Assets.
- d) The Company shall pay all such stamp duty (including any additional stamp duty, if any), 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 in which its properties are situated or otherwise, and in the event of the Company failing to pay such stamp duty, other duties, Taxes and penalties as aforesaid, the Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Trustee on demand.

7.4. Inspection

The Company shall permit the Trustee and such person as the Trustee shall, from time to time, in writing for that purpose appoint, to enter into or upon and to view the state and condition of all the Secured Assets and pay all travelling, hotel and other expenses of any person whom the Trustee

may depute for the purpose of such inspection and if the Trustee shall, for any reason, decide that it is necessary to employ an expert, to pay the fees and all travelling, hotel and other expenses of such expert.

The Company shall upon reasonable prior written notice, permit officers and representatives of the Trustee to carry out technical, legal, or financial inspections and visit and inspect during normal business hours, the properties of the Company, including the facilities, works, assets and buildings and to examine, inspect and make copies of the books of record and accounts of the Company and take extracts thereof and discuss the affairs, finances and accounts of the Company with, and be advised as to the same, by its officers. The cost of any such visit shall be borne by the Company and the Company shall at all times afford the Trustee access to its books;

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

7.5. Further Borrowings

As long as the Security Coverage Ratio does not fall below 1 time, the Company shall, without the approval of the Trustee, be entitled to, to make further issue(s) of debentures, raise further loans and advances and/or avail further deferred payment guarantees or, provide corporate guarantees/comforts or avail any other financial facilities from time to time from such persons/banks/ financial institutions or body corporate/ any other agency as it deems fit. However, the Company shall not create, until the Debentures are fully redeemed, any mortgage, charge or encumbrance on any of the Secured Assets, other than the Permitted Security Interest, without obtaining the prior written approval of the Majority Debenture Holders. Subject to as provided here, it is clarified that the company shall be entitled to create charge over any assets of the Company other than Secured Assets without any approval or consent or intimation from Debenture Holders.

7.6. Dealing with the Secured Assets

At any time before the Security constituted hereunder becomes enforceable, the Trustee may, at the cost and request of the Company, and if authorized by approval from Debenture Holders with Special Majority, do or concur with the Company in doing all or any of the things which the Company might have done in respect of the Secured Assets as if no security had been created and particularly but not by way of limitation may sell, call in, collect, convert, lease, purchase, substitute, exchange, surrender, develop, deal with or exercise any right in respect of all or any of the Secured Assets on such terms and for such consideration as the Trustee may deem fit, provided that all properties of any description and all net capital monies arising from or receivable upon any such dealing as aforesaid and remaining after payment therefrom of the costs and expenses of and incidental to such dealing shall become part of the Secured Assets and shall be paid or vested in or specifically charged in favour of the Trustee in such manner as Trustee may require.

7.7. Withdrawal of Property on Substituting other Property

The Company shall be at liberty at any time during the continuance of these presents, with the prior permission in writing of the Trustee (acting on Majority Debenture Holders approval/instructions), to withdraw any of the Secured Assets from such of the trusts, powers and provisions hereof as exclusively relate to the Secured Assets upon substituting other property whether of the same or greater than the value of the property proposed to be withdrawn. The Debenture Holders shall permit the Company to withdraw any property under this clause, if the Company proves to their satisfaction that the property proposed to be substituted for the same is of a value equal to or greater than the value of the property proposed to be withdrawn and that such property is suitable for the purpose of business of the Company and upon such proof being given and with the approval of Majority Debenture Holders, the Trustee must convey or assign or cause to be conveyed or assigned such property to the Trustee in such manner as they shall direct

UPON THE TRUSTS hereof relating to the Secured Assets and thereupon the Trustee shall be at liberty to re-convey to the Company or as the Company may direct the property to be withdrawn TO HOLD the same free from such of the trusts, powers and provisions hereof as exclusively relate to the Secured Assets. The Company may as proofs submit, inter alia, (i) a certificate signed by any one of the directors of the Company to the effect that any such property purported to be substituted is in his opinion suitable for the purpose of business of the Company; (ii) a written report of a valuer appointed/ approved by them certifying the value of the property proposed to be substituted is greater than the value of the property proposed to be substituted.

8. ENFORCEMENT AND REALISATION RELATED COVENANTS

8.1. Trust of The Secured Properties

The Secured Assets shall be and remain security to the Trustee for the due Repayment of the Secured Obligations, including the principal amount of the Debentures, together with redemption premium, if any, interest, Trustee's remuneration and all other monies payable under the Debentures and the Trustee shall permit the Company, until the happening of one or more of the events upon the happening of which the Security shall become enforceable, to hold and enjoy the Secured Assets and to carry on therein and therewith the business authorised by the Memorandum of Association of the Company and upon the happening of any such event, the Trustee may (but subject to the provisions as applicable) in their discretion, and upon request in writing of the Majority Debenture Holders, enter upon or take possession of and/or receive the rents, profits and income of the Secured Assets or any of them or any part thereof and may at their discretion and shall upon request of the Debenture Holder(s)/Beneficial Owner(s) as mentioned above (subject to the provisions of section 69 of the Transfer of Property Act, 1882 in case of immovable properties) sell, call in, collect and convert into monies the same or any part thereof with full power to sell any of the Secured Assets either by public auction or private contract and either for a lump sum or a sum payable by instalments or for a sum on account and a mortgage or charge for the balance and with full power upon every such sale to make any special or other stipulations as to title or evidence or commencement of title or as to the removal of any property which may be sold separately or otherwise as the Trustee shall think proper and with full power to buy in or rescind or vary any contract for sale of the Secured Assets or any part thereof and to re-sell the same without being responsible for any loss which may be occasioned thereby and with full power to compromise and effect compositions and for the purposes aforesaid or any of them to execute and do all such acts, assurances and things as they shall think fit.

PROVIDED ALWAYS that before making any such entry or taking possession as aforesaid or making any sale, calling in, collection or conversion under the aforesaid power in that behalf (hereinafter referred to as the "**Power of Sale**"), the Trustee shall give written notice of their intention to the Company 2 days' in advance. But the Trustee (acting on the instructions of the Special Majority of Debenture Holders) shall not be bound to give any such notice in any case where they shall certify, either before or after entry, that in their opinion further delay would imperil the interests of the Debenture Holder(s)/Beneficial Owner(s), or in any case where an order or resolution for the winding up of the Company shall have been made or passed. The Trustee shall not exercise the Power of Sale if in the case of such power arising by reason of any default in payment of any monies due in respect of the principal together with redemption premium, if any, or interest, the Company shall prove to the Trustee the payment of monies so in arrears within three months next after the notice has been given or if in the case of such power arising by reason of any provision as herein stated the Company shall, within 7 (seven) days of the receipt of a notice, remove, discharge or pay out any distress, execution or process or fully perform the covenants, conditions or provisions breached, if capable of being performed, or make good the breach thereof, or pay adequate compensation for such breach to the satisfaction of the Trustee and any compensation so paid to the Trustee shall be deemed to be part of the Secured Assets.

8.2. Trust of Proceeds of Sale/ Realisation out of The Secured Assets

The Trustee shall hold UPON TRUST the monies, received by them or the Receiver in respect of the Secured Assets or any part thereof arising out of:-

- (a) any sale, calling in, collection or conversion under the Power of Sale;
- (b) income, rent or profits arising in respect of the Secured Assets;
- (c) policy or policies of insurance;

- (d) compensation money in respect of any acquisition and requisition or nationalisation or take-over of the management of the Company;
- (e) any other realisation whatsoever;

and they shall, in the first place, by and out of the said monies, reimburse themselves and pay, retain or discharge all the costs, charges and expenses incurred in or about the entry, appointment of Receiver, calling in, collection, conversion or the exercise of the powers and trusts under these presents, including their, and the Receiver's remuneration as herein provided, and shall apply the residue of the said monies subject to the rights of the mortgagee as may be provided in a separate arrangement to be entered into between them and the Trustee:

FIRSTLY in or towards payment to the Debenture Holder(s)/ Beneficial Owner(s), *pari-passu*, of all arrears of interest including compound interest (which shall be deemed to accrue due from day to day) remaining unpaid on the Debentures held by them;

SECONDLY in or towards payment to the Debenture Holder(s)/ Beneficial Owner(s), *pari-passu*, of all principal amounts together with redemption premium, if any, owing on the Debentures held by them and whether the said principal amounts together with redemption premium, if any, shall or shall not then be due and payable; and

THIRDLY in or towards payment of the surplus (if any) of such monies to the person or persons entitled thereto:

Provided that, if the Trustee acting on the instructions of the Majority Debenture Holder(s), is of the opinion that it is expedient to do so, payments may be made on account of principal together with redemption premium, if any, before the whole or part of the interest due on the Debentures has been paid off, but such alteration in the order of payment of principal together with redemption premium, if any, and interest herein prescribed shall not prejudice the right of the Debenture Holder(s)/Beneficial Owner(s) to receive the full amount to which they would have been entitled if the ordinary order of payment had been observed or any less amount which sum ultimately realised from the security may be sufficient to pay.

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

8.3. Power to Accumulate Proceeds

If, the amount of the monies at any time apportionable under Clause 8.2 hereof shall be less than 10% (ten percent) of the nominal amount of the Debentures then outstanding, the Trustee may, at their discretion, invest such monies in any one of the Authorised Investments herein authorised with power, from time to time, at its discretion to vary such investments and such investments with the resulting income thereof may be accumulated until the accumulations together with any other fund for the time being under the control of the Trustee and available for the purpose shall amount to a sum sufficient to pay 10% (ten per cent) of the Debentures then outstanding and the accumulations and funds shall be applied in the manner aforesaid. Provided that the Trustee shall not be liable for any loss which may be occasioned by any investment or variation thereof made by them pursuant to this Clause.

8.4. Investment of Capital Monies

Subject as aforesaid, the Trustee shall invest the net capital monies referred to in Clauses 8.2 and 8.3 above, upon some or one of the Authorised Investments or place the same upon deposit or in current account in the name of the Trustee with any scheduled bank or banks with power from time to time to vary such investments and with power from time to time at their discretion to resort to any such investments for any of the purposes for which such proceeds are under these presents authorised to be expended. Provided however that any such monies including the Authorised Investments shall be held by the Trustee solely in trust for the benefit of the Debenture Holder(s).

8.5. Authorised Investments

Any monies which are under the trust or powers herein contained ought to be invested by the Trustee may be invested in the name of the Trustee in any of the investments by law authorised for

investment of Trust monies for the time being in force in India (“**Authorised Investments**”) with power to vary and transpose such investments and in so far as the same shall not be invested shall be placed on deposit in the name of the Trustee in scheduled bank or banks.

8.6. Notice Before Payment

The Trustee shall give not less than 14 days’ notice to the Debenture Holder(s)/Beneficial Owners(s) under Clauses 8.2and 8.3 hereof and after the day so fixed, the Debenture Holder(s)/Beneficial Owners(s) of each outstanding Debenture shall be entitled to interest on the balance only (if any) of the principal moneys due on such Debentures held by them after deducting the amount (if any) payable in respect of the principal thereof on the day so fixed.

8.7. Memorandum of Part Satisfaction

Upon any payment under Clause 8.2and 8.3above, not amounting to complete payment of all principal amounts and interest due thereon, the Debentures in respect of which payment is made shall be produced to the Trustee who shall cause a memorandum of the amount and date of payment to be endorsed thereon. The Trustee may, in their discretion, dispense with the production and endorsement of Debentures as aforesaid, in any special case upon such indemnity as the Trustee may think fit.

8.8. Receipt of Debenture Holder(s)

The receipt of each holder/owner of the Debentures (s) or if there be more than one holder(s)/owner(s) of any such Debentures, then the receipt of any one of such holder(s)/owner(s) or of the survivors or survivor for the principal monies and interest payable in respect of each of such Debenture shall be a good discharge to the Trustee.

8.9. Purchasers and Persons dealing with Trustee Not Put on enquiry

No purchaser, mortgagor, mortgagee or other person dealing with the Trustee or any Receiver appointed by them or their attorneys or agents shall be concerned to inquire whether the power exercised or purported to be exercised has become exercisable or whether any money remains due on the Security of these presents or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall have been made or otherwise as to the propriety or regularity of any sale, calling in, collection or conversion or to see to the application of any money paid to the Trustee or Receiver and in the absence of *mala fides* on the part of such purchaser, mortgagor, mortgagee or other person such dealing shall be deemed, so far as regards the safety and protection of such person, to be within the powers hereby conferred and be valid and effectual accordingly and the remedy of the Company or its assigns in respect of any impropriety or irregularity whatsoever in the exercise of such power shall be in damages only.

8.10. Receipt of Trustee to be Effectual Discharge

Upon any such sale, calling in collection or conversion as aforesaid and upon any other dealing or transaction under the provisions herein contained the receipt of the Trustee for the purchase money of any of the Secured Assets sold and for any other monies paid otherwise howsoever to them shall effectually discharge the purchaser or purchasers or person paying the same there from and from being concerned to see to the application or being answerable for the loss or misapplication or non- application thereof.

8.11. Application To Court

The Trustee may at any time after the security hereby constituted becomes enforceable apply to the Court for an order that the powers and trusts hereof be exercised and carried into execution under directions of the Court and for the appointment of a Receiver(s) and manager of the Secured Assets or any of them and for any other order in relation to the execution and administration of the powers and trusts hereof as the Trustee shall deem expedient and they may assent to or approve of any application to the Court made at the instance of any of the Debenture Holder(s)/Beneficial Owner(s) and shall be indemnified by the Company against all costs, charges and expenses incurred for or in relation to any such application or proceeding.

9. MISCELLANEOUS

9.1 The Trustee shall concur with the Company in making any modifications to, or waiver in these presents which in the opinion of the Trustee shall be expedient to make; provided that the modification/ waiver has been approved in writing by Majority Debenture Holders, the Trustee shall give effect to the same by executing necessary supplemental deed(s) to these presents.

9.2 NOTICES

Any notice, demand, request or other communication to be made or given under this Deed shall be in writing unless otherwise stated at the following addresses. 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 address for service of each of the Parties are as follows-

For Debenture Trustee

Catalyst Trusteeship Limited

Registered Office:

GDA House Plot No 85,
Bhusari Colony (Right),
Paud Raod, Pune – 411038

Corporate Office:

Windsor, 6th Floor,
Office No. 604, C.S.T. Road,
Kalina, Santacruz (East),
Mumbai - 400098.
Kind Attn: Mr. Umesh Salvi
Phone: 022-49220555
Email: ComplianceCTL-Mumbai@ctltrustee.com
Fax: 022-49220505

Branch office:

No.3/360 ground floor,
Rajeswari Avenue, Madhanandapuram
Chennai-600125

For Company

L&T Finance Limited

Registered Office:

15th Floor, PS SRIJAN Tech Park,
Plot No 52, Block DN, Sector-V,
Salt Lake City, Kolkata – 700 091,
District 24-Parganas North West Bengal
Kind Attn: Ms. Apurva Rathod
Phone: +91 22 6212 5000
Email: investorgrievances@ltfs.com
Website: www.ltfs.com
Fax: +91 22 6212 5553

Corporate and Head Office:

Brindavan, Plot No. 177, C.S.T. Road,
Kalina, Santacruz (East), Mumbai - 400098,
Maharashtra, India.
Tel: +91 22 6212 5000
Fax: +91 22 6212 5553

E-mail: investorgrievances@ltfs.com

Website: www.ltfs.com

Branch Office:

5th and 6th Floor Floor, A Wing,

Kgn Towers, 62 Ethiraj Salai (Commander-In-Chief Road),

Egmore, Chennai 600015

- 9.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
- a) if by way of personal delivery, when delivered; or
 - b) if by way of facsimile, when the sender receives a receipt indicating proper transmission; or
 - c) 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
 - d) if by way of e-mail, when received in legible form and subject to such e-mail being followed up with a written letter / facsimile.
- 9.3.2 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.
- 9.3.3 Any notice given under or in connection with any Transaction Document must be in English.
- 9.3.4 Any Party to this Deed may modify or alter the details for notices to be served on such Party, by giving a prior written notice of 5 (Five) Business Days, addressed to all other Parties.
- 9.3.5 Any notice, demand, request or other communication may be served by the Company or the Trustee upon the holder(s)/owner(s) of any debentures issued under these presents by way of e-mail at their addresses provided by the Company or sending through post in prepaid letter addressed to such Debenture Holder(s)/ Beneficial Owner(s) at their registered address and any notice, demand, request or other communication so sent by email or post, shall be deemed to have been duly served on receiving a delivery notification of the email or the third day following the day on which it is posted and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into post box.
- 9.3.6 Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing and prepaying and posting a letter containing the document provided that if intimation has been given in advance that the documents should be sent under a certificate of posting or by registered post with or without acknowledgement due and a sum sufficient to defray the expenses has been deposited, service of the document shall not be deemed to be effected unless it is sent in the manner so intimated by the Debenture Holder(s)/ Beneficial Owner(s).
- 9.3.7 Any communication made to the Debenture Holders under the provisions of this Deed or any other Transaction Documents by the Trustee may be made by electronic media, press-release and placing notice on its website.
- 9.3.8 E-Mail/Fax Indemnity:
- a) The Company understands and acknowledges that there are inherent risks involved in sending the instructions/ communications/ documents to the other Parties via facsimile, untested telexes and faxes, cable or emails and hereby agrees and confirms that all risks shall be fully borne by the Company and the Company assumes full responsibility for the same
 - b) The Company shall not hold the Trustee liable for any losses or damages including legal fees arising upon the Trustee performing or non-performing or any delay /default in performing any act, wholly or in part in accordance with the instructions so received which could be a

result of any miscommunication, or technological error beyond the control of the Trustee considering the mode in which the same was conveyed.

- c) The Trustee shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any email or any other electronic mode of communication and may in its sole discretion and exclusive determination, decline or omit to act pursuant to any such instruction, or defer acting in accordance with any such instruction if the Trustee has doubts about the contents, authorization, origination of the said instruction or if the Trustee is of the view that the said instruction has been fraudulently sent or mistakenly written and sent or has been altered and sent and the same shall be at the Company's risk and the Trustee shall not be liable for the consequences of any such refusal or omission to act or deferment of action; and
- d) The Company agrees to indemnify the Trustee for any causes, actions, claims, damages, liabilities etc. that may arise out of acting under such electronic instructions.

9.3 ASSIGNMENT

This Deed shall be binding upon and ensure to the benefit of each Party hereto and its or any subsequent successors and assigns. The Company shall not be permitted to assign or transfer any of its rights, liabilities and/or obligations under this Deed or under any other Transaction Documents unless approved by the Debenture Trustee and/or Majority Debenture Holders.

9.4 RIGHTS OF THE DEBENTURE HOLDERS

Notwithstanding anything to the contrary contained elsewhere, in the event the Debenture Holders are unable to exercise any rights available to it under this Deed and/or under any other Transaction Documents in full owing to any Applicable Law or regulation in force, then the Debenture Holders shall be entitled to the exercise of any such right under this Deed and/or any other Transaction Documents to the limited extent permissible under Applicable Law. Provided however, that on the revocation, removal or diminution of the Applicable Law or provisions, as the case may be, by virtue of which any right of the Debenture Holders pursuant to this Deed and/or any other Transaction Documents was limited as provided hereinabove, the original provisions would stand renewed and be effective to their original extent, as if they had not been limited by the Law or provisions revoked. The Company represent and warrant that there are no other agreements or understanding subsisting as of date in respect of the management, granting any rights or any of them as of date involving the Company.

9.5 TAXATION

- (a) All payments to be made by the Company to the Debenture Trustee under the Transaction Documents (including any fees payable) shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction under any Applicable Law.
- (b) The Company shall promptly upon becoming aware that there is any change in the rate or the basis of a Tax Deduction notify the Debenture Trustee accordingly. Similarly, the Debenture Trustee shall notify the Company on becoming so aware in respect of a payment payable to the Debenture Trustee.
- (c) If the Company is required to make a Tax Deduction as per Applicable law, the Company shall make that Tax Deduction from payment due under Transaction documents and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required under Applicable Law.
- (d) Within the time permitted under Applicable Law of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Company shall, if requested by the Debenture Trustee, deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant Tax authority.
- (e) Without prejudice to the provisions hereof, if the Debenture Holder(s) or the Debenture Trustee are required to make any payment on account of Taxes (not being Taxes imposed

on or calculated by reference to the net income paid to and received by any of them) or otherwise on or in relation to any sum received or receivable hereunder by the Debenture Holder(s) or the Debenture Trustee or any liability in respect of any such payment is asserted, imposed, levied or assessed against the Debenture Trustee/ Debenture Holder(s), the Company shall, upon demand, promptly review and validate such claim indemnify and pay to the Debenture Trustee/ Debenture Holder(s) against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith after such validation.

9.6 FURTHER ASSURANCES

The Company agree to do all such further and other things, execute and deliver all such additional documents, to give full effect to the terms of this Deed. The Parties undertake that they will do or procure to be done all such further acts and things, execute or procure the execution of all such other documents and exercise all rights and powers available to it in relation to any Person so as to ensure the fulfilment, observance and performance of all the provisions of this Deed and generally that full effect is given to the provisions of this Deed.

9.7 PARTIAL INVALIDITY

If, at any time, any provision of this Deed or any other Transaction Documents is or becomes illegal, invalid or unenforceable in any respect under any Applicable Law, neither the legality, validity or enforceability of the remaining provisions, to the extent severable, nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

9.8 REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Debenture Trustee, any right or remedy in accordance with the Transaction Documents upon the occurrence of an Event of Default in accordance with the Transaction Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

9.9 GOVERNING LAW AND JURISDICTION

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

The Parties agree that the courts and tribunals in [Chennai] shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed. The Trustee may however in the absolute discretion commence any legal action or proceeding arising out of this Deed in a Court, tribunal or any other appropriate forum in India and the Company hereby consents to that jurisdiction.

PART – B OF THE DEBENTURE TRUST DEED

10. ISIN RELATED AND FINANCIAL COVENANTS AND CONDITIONS:

10.1. Issue Opening Date

Issue Opening Date shall mean February 13, 2023.

10.2. Issue Closing Date

Issue Closing Date shall mean February 13, 2023.

10.3. Pay in Date

The Pay in Date shall mean February 14, 2023.

10.4. Deemed Date of Allotment

The Deemed Date of Allotments shall mean February 14, 2023.

10.5. Conditions Precedent to Disbursement - Not Applicable

10.6. Condition Subsequent to Disbursement - Not Applicable

10.7. Covenants of the issue pertaining to side letters, accelerated payment clause (including provisions for debt to equity conversion) – Not Applicable

10.8. Risk factors pertaining to the issue—As particularly defined in the Offer Document

10.9. Debentures to rank “*pari passu*”

The Debentures issued under these presents shall rank *pari passu inter se* without any preference or priority of one over the other or others of them.

10.10. Interest:

(a) The interest, if any, shall be payable as per the Offer Document.

10.11. Redemption:

The Company agrees and undertakes to redeem the Debentures along with outstanding interest due and redemption premium, if any on February 14, 2033

The Company shall redeem the Debentures on each redemption date as follows:

Cash Flows	Coupon Payment Date*	No. of Days in Coupon Period	Coupon Payout Date*	Amount (in Rupees)
Coupon	Wednesday, February 14, 2024	365	Wednesday, February 14, 2024	₹ 8,050
Coupon	Friday, February 14, 2025	366	Friday, February 14, 2025	₹ 8,050
Coupon	Saturday, February 14, 2026	365	Monday, February 16, 2026	₹ 8,050
Coupon	Sunday, February 14, 2027	365	Monday, February 15, 2027	₹ 8,050
Coupon	Monday, February 14, 2028	365	Monday, February 14, 2028	₹ 8,050
Coupon	Wednesday, February 14, 2029	366	Wednesday, February 14, 2029	₹ 8,050
Coupon	Thursday, February 14, 2030	365	Thursday, February 14, 2030	₹ 8,050
Coupon	Friday, February 14, 2031	365	Friday, February 14, 2031	₹ 8,050
Coupon	Saturday, February 14, 2032	365	Monday, February 16, 2032	₹ 8,050
Coupon	Monday, February 14, 2033	366	Monday, February 14, 2033	₹ 8,050
Total Coupon Payments (A)				₹ 80,500
Cash Flows	Principal due for Payment	No. of Days from Issue Date	Principal Payout Date*	Amount (in Rupees)
Principal	Monday, February 14, 2033	3,653	Monday, February 14, 2033	₹ 1,00,000
Principal (B)				₹ 1,00,000
Total Payments (Principal + Coupon) (A+B)				₹ 1,80,500

***The above table is in accordance with the SEBI circular under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time.**

10.12. Record Date

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) in terms of this Deed and the Information Memorandum (including the coupon payment date and the Redemption Date), the day falling 15 calendar days prior to such date. In the event the Record Date falls on a day, which is not a Business Day, in such case the immediately succeeding Business Day shall be considered as Record Date.

10.13. Put Option: Not Applicable

10.14. Premature Redemption:

In case the Company fails for any reasons to utilize the proceeds for the Purpose, as specified in the [Offer Letter/ Prospectus/ Disclosure Document], the Debenture Holder(s)/Beneficial Owner will be entitled to rescind/avoid the contract on that ground and to call back the money, if any paid towards subscription of the Debentures.

10.15. Prepayment/Call option: Not Applicable

10.16. Appropriation of payment:

- (a) Payment of the principal amount of each of the Debentures and interest and other monies payable thereon shall be made to the respective Debenture Holder and in case of joint Debenture Holders, to the one whose name stands first in the Register of Debenture Holder(s)/list of Beneficial Owner(s) as the case may be. Such payments shall be made by, real time gross settlement, cheque or warrant drawn by the Company on its bankers.
- (b) Notwithstanding anything to the contrary stated in the Transaction Documents, any payments by the Company under the Transaction Documents shall be appropriated in the following manner, namely:
 - (i) Firstly, towards meeting any costs, charges and expenses and other monies incurred by the Debenture Trustee as also the remuneration payable by the Company to the Debenture Trustee;
 - (ii) Secondly, towards default interest and compound interest as maybe due and payable under the terms of the Transaction Documents;
 - (iii) Thirdly, towards interest payable on the Debentures;
 - (iv) Fourthly, towards redemption premium, if any; and
 - (v) Lastly, towards redemption of principal amount of the Debentures due and payable by the Company to the Debenture Holder(s)/Beneficial Owner(s).

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

10.17. Security:

The Secured Obligations, including the redemption of the principal amount of the Debentures, payment of all interest, redemption premium, if any, remuneration of the Trustee, liquidated damages and all fees, costs, charges, expenses and other monies payable by the Company in respect thereof shall be secured by securities specified in Clause 11 of this Deed.

The Company shall furnish to the Debenture-holder(s)/Beneficial Owner(s) copies of Security Documents evidencing the creation of complete Security as stipulated in this Deed and shall procure and furnish suitable letter from the Debenture Trustee to the effect.

10.18. Debenture Holder(s)/Beneficial Owner(s) not entitled to shareholders rights

The Debenture Holder(s)/Beneficial Owner(s) will not be entitled to any of the rights and

privileges available to the shareholders including right to receive notices or annual reports or to attend and vote at general meetings of the members of the Company.

- 10.19. Subject to Applicable Laws, the rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with Special Resolution: provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions governing the Debentures and the same are not acceptable to the Company.

10.20. Repurchase and re-issue of Debentures

Subject to Applicable Law, the Company will have the power exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the Final Redemption Date. The Debentures which are in dematerialized form, can be repurchased by the Company through its beneficiary demat account as per the norms prescribed by the Depository. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of the Act, to re-issue such debentures either by re-issuing the same debenture(s) or by issuing other debentures in their place. Further the Company, in respect of such repurchased or redeemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

The Company may also, at its discretion, at any time purchase Debenture(s) at discount, at par or at premium in the open market. Such Debenture(s) may, at the option of Company, be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by law.

10.21. Appointment of Nominee Director or Observer

- (a) The Borrower agrees that the Debenture Trustee shall have the right to appoint and remove (at their discretion) from time to time a non-executive director or directors on the Board, under this Agreement (the “**Nominee Director**”). The power of the Debenture Trustee to appoint Nominee Director shall also include the power to appoint (and remove) an observer (“**Observer**”) in place of such Nominee Director.

The Nominee Director/ Observer shall not be required to hold qualification shares and not be liable to retire by rotation.

- (b) The Nominee Director shall be entitled to all the rights and privileges of other non-executive directors and the sitting fees, expenses as payable to other directors on the Board and any other fees, commission, monies or remuneration in any form payable to the non-executive directors, which shall be to the account of the Company.
- (c) The expenditure incurred in connection with the appointment or directorship (including the cost of attending any meetings) of the Nominee Director/ Observer shall be borne by the Company.
- (d) If so desired by the Debenture Holders, the Nominee Director shall also be appointed as a member of any committee of the Board.
- (e) The Nominee Director/ Observer(s) shall be entitled to receive all notices, agenda, etc. and to attend all general meetings of the shareholders of the Company, board meetings and meetings of any committees of the Board of the Company.
- (f) If, at any time, a Nominee Director/ Observer is not able to attend a meeting of the Board, or any committee/ sub-committee, if any, of which he is a member, the Debenture Trustee may depute an observer to attend the meeting. The expenses incurred in this connection shall be reimbursed by the Company.

- (g) The Nominee Director or the Observer, as the case may be, may furnish to the Debenture Trustee a report of the proceedings of all such meetings.
- (h) The appointment / removal of the Nominee Director/ Observer shall be by a notice in writing by the Debenture Trustee addressed to the Company and shall (unless otherwise indicated by the Lenders) take effect forthwith upon such a notice being delivered to the Company.
- (i) If the constitutional documents of the Company do not make provision for the appointment of the Nominee Director / Observer, then the articles of association of the Company shall be amended accordingly.
- (j) The Nominee Director or the Observer, as the case may be, shall have the right to provide information regarding the Company, hat is in the Nominee Director's or Observers' discretion, relevant for the purposes of this Deed.
- (k) The Company agrees that the Nominee Director or the Observer shall not be liable for any act or omission of the Company.
- (l) The Company hereby agrees to hold the Nominee Director or the Observer harmless and to indemnify the Nominee Director or the Observer from and against any and all expenses, liabilities and losses incurred or suffered by the Nominee Director or the Observer, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, asserted against, imposed upon, or incurred or suffered by the Nominee Director, the Observer (including attorney's fees and expenses), directly or indirectly, resulting from, based upon, arising out of or relating to the appointment of the Nominee Director or Observer. The indemnification as provided by this provision or any law for the time being in force, shall not be deemed exclusive of any other rights to which the Nominee Director, the Observer may be entitled under any provision of law, or any other agreement, or otherwise.

11. SECURITY FOR THE DEBENTURES

- 11.1 The Debenture Trustee (acting for the benefit of the Debenture Holders) shall hold the Security created by the Company under or in terms of the Transaction Documents, in its favour, upon trust, subject to the powers and provisions contained herein, for securing the Secured Obligations.
- 11.2 The Debentures and all the Secured Obligations shall be secured by:
 - 11.2.1 First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables ("**Hypothecated Assets**") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount and coupon outstanding under the NCDs ("**Security Cover**").
- 11.3 The Company hereby declares that it has obtained no objection certificates/ permission, where required, in terms of the existing transaction documents from all the existing charge holders agreeing to cede *pari-passu* charge on Secured Assets of the Company to secure the Debentures.
- 11.4 The Company shall ensure that the requisite security cover of 1 time to the Secured Obligations shall be maintained throughout the Tenor of the Debentures and this Deed.
- 11.5 The Company shall create the security set out in Clause 11.2 above prior to listing application of the Debentures. Further, the charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.
- 11.6 In the event that the Company fails to create and perfect a valid security on the terms set out in this Deed and other Transaction Documents within relevant time period set out, the Company shall be required to either (i) refund the entire subscription amount, or (ii) pay an interest of at least 2% per annum over and above the coupon rate as mentioned in Offer Document on the amounts

outstanding on the Debenture, until the security is created and perfected in the manner and on the terms set out in this Deed and other Transaction Documents. The Company also agrees to promptly disseminate and disclose information pertaining to failure to create security, on the assets, on its website.

- 11.7 The Company undertakes that all Security Documents, when executed, delivered and registered (where necessary) and when appropriate forms are filed as required under Applicable Law, shall create the Security expressed to be created thereby over the assets referred therein and such assets are not subject to any prior security interests.
- 11.8 The Issuer shall be entitled to modify or substitute the Hypothecated Assets including substituting the identified fixed deposits charged in favour of the Debenture Trustee with any other standard receivables of the Issuer subject to maintaining the Security Cover. Consequently, the Debenture Trustee shall be obligated to release such fixed deposits subject to maintaining the Security Cover.

THE FIRST SCHEDULE ABOVE REFERRED TO

HYPOTHECATED PROPERTY

(Particulars of fixed deposits)

Customer Name	Agreement No	POS (Rs#)
Phoenix Trust-FY23-7	6240079132	3,12,08,60,000.00
Phoenix Trust-FY22-7	6240076889	2,42,50,41,500.00
Total		5,54,59,01,500.00

THE SECOND SCHEDULE ABOVE REFERRED TO

1. The Beneficial Owner(s) will intimate their relevant DP/client ID and beneficiary demat account number to the Company. The Debentures in the dematerialized form will be credited to such beneficiary demat account of the Beneficial Owner(s) in accordance with a separate agreement entered into by the Company with the Depository, under advice to them.
2. The Company has made depository arrangements with the Depository as the case may be for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form.
3. These Debentures are issued in the dematerialized mode and therefore every eligible applicant should apply only if they have a depository account with any of the depositories. Transfer of Debentures in dematerialized form would be in accordance with the rules/procedures as prescribed by the Depository. Transfer of these Debentures is permitted only between categories eligible for subscription as mentioned in the respective [Disclosure Documents/Prospectus/ Offer Letter].
4. The Depository Account of the investors with the Depository will be credited within 2 days from the Deemed Date of Allotment or within such timelines as prescribed under Applicable Law. The initial credit in the account will be akin to the letter of allotment. On the completion of all statutory formalities, such credit will be substituted with the number of Debentures allotted
5. The Debentures held in the dematerialized form shall be taken as redeemed on payment of the redemption amount by the Company on maturity to the registered Beneficial Owner(s) whose name appears in the list of 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 the Depository and accordingly the account of the Debenture Holder(s) with the Depository will be adjusted.
6. A list of Beneficial Owner(s) containing all relevant particulars, as maintained by the Depository, shall be kept by the Company at its Registered Office and such list shall be updated on a weekly basis.
7. Transfer of Debentures in dematerialized form would be in accordance with the rules/procedures as prescribed by the Depository. Transfer of these Debentures is permitted only between categories eligible for subscription as mentioned in the respective [Disclosure Documents/Prospectus/ Offer Letter]. All requests for transfer should be submitted to the Company/Registrar prior to the Record Date for payment of interest/principal.

Nothing provided herein shall prejudice any power of the Company to register as Beneficial Owner(s)/Debenture Holder(s) any person to whom the right to any Debenture of the Company has been transmitted by operation of law.

8. The Company shall accept the requests received from the Debentures Holders for rematerializing the Debentures in accordance with the rules and procedures prescribed by Depositories Act, 1996. All costs arising from the request of re-materialisation shall be borne by the person requesting such re-materialization.
9. Upon re-materialization of the Debentures held by the Debenture Holders, the Company shall maintain a register of Debenture Holders containing all relevant particulars at its registered office or such other place in accordance with the provisions of the Act and shall accordingly comply with all such rules, regulations and provisions as are stipulated for physical form of debentures.

THE THIRD SCHEDULE ABOVE REFERRED TO

PROVISIONS FOR THE MEETINGS OF THE DEBENTURE HOLDER(S)/BENEFICIAL OWNER(S)

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

1. The Trustee or the Company may, at any time, and the Trustee shall call or cause to be called by the Company, at the request in writing of the holder(s)/owner(s) of Debentures representing not less than one-tenth in value of the nominal amount of the Debentures for the time being outstanding or the happening of any event, which constitutes a breach or default or breach of covenants (as specified in the [Disclosure Documents/ Prospectus/ Offer Letter] and/or this Deed) or which in the opinion of the Debenture Trustee affects the interest of the Debenture Holders, convene a meeting of the holder(s)/owner(s) of the Debentures. Any such meeting shall be held at such place in the city where the registered office of the Company is situated or at such other place as the Trustee shall determine.
2. The meetings of the holder(s)/owner(s) of Debentures can also be conducted by video conferencing / audio visual mechanism. The Debenture Trustee may seek the consent of Debenture holders through e-voting, wherever applicable.
3. (i) A meeting of the Debenture Holder(s)/the Beneficial Owner(s) may be called by giving not less than 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 Majority Debenture Holder.
4. (i) Every notice of a meeting shall specify the place, 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 to:-
 - (a) the Debenture Holder(s)/the Beneficial Owner(s) in the manner provided in the Trust Deed;
 - (b) the persons entitled to a Debenture in consequence of death or insolvency of a Debenture Holder(s)/the Beneficial Owner(s), by sending it through post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which might have been given if the death or insolvency had not occurred; and
 - (c) the Auditor or Auditors for the time being of the Company in the manner authorised by Section 20 of the Act in the case of any members of the Company:

Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company, the statement of material facts referred to in Section 102 of the Act, need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the Debenture Holder(s)/the Beneficial Owner(s).
5. The accidental omission to give notice to, or the non-receipt of notice by any Debenture Holder(s)/the Beneficial Owner(s) or other person to whom it should be given shall not invalidate the proceedings at the meeting.

(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, the manager, key managerial person if any, of the Company:

Provided that where any item of business as aforesaid to be transacted at a meeting of the Debenture Holder(s)/the Beneficial Owner(s) relates to, or affects, any other company the extent of shareholding interest in that company of every director, and the manager, key managerial person if any, of the first mentioned company shall also be set out in the statement if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that other company.

- (ii) Where any item of business consists of approval to any document by the meeting, the document shall be annexed to the notice and, the time and place where the document can be inspected shall be specified in the statement aforesaid.
6. Two Debenture Holder(s)/Beneficial Owner(s), personally present shall be the quorum for the meeting of the Debenture Holder(s)/Beneficial Owner(s) and provisions of following sub-clause shall apply with respect thereto. If there is a single Debenture Holder(s)/the Beneficial Owner(s) it shall constitute a valid quorum. If, within half an hour from the time appointed for holding a meeting of the Debenture Holder(s)/the Beneficial Owner(s), a quorum is not present, the meeting, if called upon the requisition of the Debenture Holder(s)/the Beneficial Owner(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 Trustee may determine and if at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the holding of the meeting, the Debenture Holder(s)/Beneficial Owner(s) present shall be a quorum.
 7. (i) The nominee of the Trustee shall be the Chairman of the meeting and in his absence the Debenture Holder(s)/ the Beneficial Owner(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, the Chairman elected on a show of hands exercising all the powers of the Chairman under the said provisions.

(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 Trustee and the Directors of the Company and their respective Solicitors/Advocates 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 on voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by the holder(s) of Debentures representing not less than one-tenth of the nominal amount of the Debentures for the time being outstanding present in person or by proxy.
 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 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)/the Beneficial Owner(s) shall, on a show of hands, be entitled to one vote only, but on a poll he shall be entitled to one vote in respect of every Debenture of which he is a holder in respect of which he is entitled to vote.

13. (i) Any Debenture Holder(s)/the Beneficial Owner(s) entitled to attend and vote at the meeting shall be entitled to appoint another person (whether a Debenture Holder(s)/ the Beneficial Owner(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 a Debenture-holder(s)/the Beneficial Owner(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 a Debenture Holder(s)/the Beneficial Owner(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 forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll and in default, the instrument of proxy shall not be treated as valid.
 - (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 form set out in Form MGT. 11 of 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.
 - (vi) Every Debenture Holder(s)/Beneficial Owner(s) entitled to vote at a meeting of the Debenture Holder(s)/Beneficial Owner(s) of the Company on any resolution to be moved thereat shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.
 - (vii) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Debenture in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
14. On a poll taken at any meeting of the Debenture Holder(s)/ Beneficial Owner(s), a Debenture Holder(s)/Beneficial Owner(s) entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
 15. When a poll is to be taken, the Chairman shall appoint any person to act as the scrutinizer to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutiniser from office and to fill vacancies in the office of scrutiniser arising from such removal or from any other cause.
 16. (i) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.
 - (ii) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

17. In the case of joint Debenture Holder(s)/Beneficial Owner(s), the vote of the first Debenture Holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the other joint holder or holder(s)/owner(s). In case of absence of first Debenture Holder, the second or third Debenture Holder, as the case may be, shall be eligible to vote.
18. The Chairman of a meeting of the Debenture Holder(s)/Beneficial Owner(s) may, with the consent of the, 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.
19. 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 to which he may be entitled to as a Debenture Holder(s)/Beneficial Owner(s).
20. 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.
21. 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.
22. The Debenture Holder(s)/Beneficial Owner(s) shall *inter alia* have the following powers exercisable in a meeting in the manner hereinafter specified:-
 - (i) Power to sanction re-conveyance and release, substitution or exchange of all or any part of the Secured Assets from all or any part of the principal moneys and interest owing upon the Debentures.
 - (ii) Power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture-holder(s)/Beneficial Owner(s).
 - (iii) Power to sanction any modification, alteration or, abrogation of any of the rights of the Debenture Holder(s)/ Beneficial Owner(s) against the, Company or against the Secured Assets or other properties whether such right shall arise under this Deed or the Debentures or otherwise.
 - (iv) Power to assent to any scheme for reconstruction or amalgamation of or by the Company whether by sale or transfer of assets under any power in the Company's Memorandum of Association or otherwise under the Act or provisions of any law.
 - (v) Power to assent to any modification of the provisions contained in this Deed and to authorise the Trustee to concur in the execution of any supplemental deed embodying any such modification.
 - (vi) Power to remove the existing Trustee and to appoint new debenture trustee in respect of the trust Securities.
 - (vii) Power to authorise the Trustee or any receiver appointed by them where they or he shall have entered into or taken possession of the Secured Assets or any part thereof to give up possession of such premises to the company either unconditionally or upon any condition.
 - (viii) Power to give any direction, sanction, request or approval which under any provision of this Deed is required to be given by a Special Resolution.
23. The powers set out in paragraph 23 hereof above, shall be exercisable by a Special Resolution passed at a meeting of the Debenture-holder(s)/Beneficial Owner(s) duly convened and held in accordance with provisions herein contained and carried by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded by a majority representing not less than three-fourths in value of the votes cast on such poll. Such a Resolution is herein called "Special Resolution".

24. A resolution, passed at a meeting of the Debenture-holder(s)/Beneficial Owner(s) duly convened and held in accordance with these presents shall be binding upon all the Debenture Holder(s)/Beneficial Owner(s) whether present or not, at such meeting and each of the Debenture Holder(s)/Beneficial Owner(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 intentions being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.
25. 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 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 proceedings 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.
26. Notwithstanding anything herein contained, it shall be competent to all the Debenture Holder(s)/Beneficial Owner(s) to exercise the rights, powers and authorities of the Debenture-holder(s)/Beneficial Owner(s) under this Deed by a letter or letters signed by or on behalf of the holder or holder(s)/owner(s) of at least sixty percent in value of the Debentures outstanding without convening a meeting of the Debenture Holder(s)/Beneficial Owner(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.
27. SEBI Defaults (Procedure) Circular
 - (a) If any meeting of the Debenture Holders is proposed to be conducted in respect of any matter prescribed in the SEBI Defaults (Procedure) Circular, the provisions of this paragraph 28 shall apply.
 - (b) Any notice for a meeting in respect of the SEBI Defaults (Procedure) Circular shall contain the details prescribed in the SEBI Defaults (Procedure) Circular, including without limitation, the negative consent for proceeding with the enforcement of security, positive consent for signing the inter-creditor agreement, the time period within which the consent needs to be provided, and the date of meeting to be convened.
 - (c) The provisions of this Schedule (applicable to meetings of the Debenture Holders) shall apply in respect of any meeting that is conducted under this paragraph 28.
 - (d) Any action of the Debenture Trustee in respect of the occurrence of an Event of Default and the application of the SEBI Defaults (Procedure) Circular shall be in accordance with the decision of the Debenture Holders taken at any meeting convened in accordance with this paragraph 28, subject to the exceptions (if any) set out in the SEBI Defaults (Procedure) Circular.
 - (e) For the purposes of a meeting convened in accordance with this paragraph 28, in accordance with the SEBI Defaults (Procedure) Circular, all decisions shall require the consent of 75% (seventy five percent) of the Debenture Holders (by value) and 60% (sixty percent) of the Debenture Holders (by number).

THE FOURTH SCHEDULE ABOVE REFERRED TO
PART A

EXECUTED PRE-AUTHORISATION LETTER



September 07, 2021

To,

HDFC Bank Limited

Dear Sir,

Sub: SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 - Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP)

Our Company has issued various series of Secured, Listed, Redeemable, Non-Convertible Debentures and has opened a bank account (as mentioned below) with your bank for the purpose of making payment of interest and / or redemption of principal to the debenture holders under the respective Debenture Trust Deeds on due dates.

Sr. No.	Particular	Details
1.	Name of the Bank	HDFC Bank Ltd
2.	Account No.	00600310034668
3.	Account Type	Current A/C
4.	Branch address, including the email address and phone no.	HDFC Bank Ltd, Ground Floor, Jehangir Building, M.G. Road, Fort, Mumbai Metropolitan Building, Mumbai 400001. Email Address : anant.kumar@hdfcbank.com Contact No: 9324627619.

SEBI vide its Circular SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, Chapter XI under Clause 4.1, has mandated to debenture issuer Company to provide the Bank details (from which the Company proposes to pay the redemption amount) and preauthorise Debenture Trustee(s) to seek debt redemption payment related information from the Issuer's bank, to the Debenture Trustee. Catalyst Trusteeship Limited is a SEBI registered Debenture Trustee Company. We have appointed Catalyst Trusteeship Limited as Debenture Trustee under the Debenture Trust Deed for the benefit of the debenture holders. The said Circular is attached for your kind reference.

In this connection and pursuant to the above, we hereby preauthorise Catalyst Trusteeship Limited to seek the interest and / or principal redemption payment related information from our above referred bank account, directly from your Bank, as may be required by Catalyst Trusteeship Limited in capacity as Debenture Trustee. We hereby request you to kindly provide the interest and / or principal redemption payment related information to Catalyst Trusteeship Limited, as may be required by them.

Thanking you.
For **L&T Finance Limited**


Apurav Rathod
Company Secretary

Acknowledged by:-

HDFC Bank Limited

Cc:- Catalyst Trusteeship Limited.

L&T Finance Limited
Corporate Office Address
Brindavan, CST Road
Kalina, Santacruz (East)
Mumbai 400 098

Registered Office
7th Floor, Technopolis, A-Wing
Plot No. 4, Block - BP Sector-V
Salt Lake, Kolkata 700 091
CIN: U65910WB1993FLC060810

T +91 22 6212 5000
F +91 22 6212 5553
E customercare@lftf.com

www.lftf.com

THE FOURTH SCHEDULE ABOVE REFERRED TO

PART B

ACCOUNT BANK CONSENT LETTER



To
HDFC Bank Ltd,

SUB: BANKERS CERTIFICATION ON BANK ACCOUNT DETAILS

Dear Sir/Madam

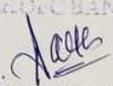
Please provide confirmation on the following account details.

A/C TITLE	L&T FINANCE LIMITED - NCD ISSUANCE A/C
BANK NAME	HDFC BANK LTD
A/C NO.	00600310034668
IFSC CODE	HDFC0000060
BRANCH ADDRESS	NANIK MOTWANI MARG, MANEKJI WADIA BUILDING, FORT, MUMBAI 400 001

For L&T Finance Limited


Authorized Signatory

WITHOUT RESPONSIBILITY ON THE PART OF
THE BANK OR THE SIGNING OFFICER WE
CONFIRM THAT THE SIGNATURE AGREES
WITH THE INFORMATION HELD ON OUR
RECORDS FOR L&T BANK LTD.


AUTHORIZED SIGNATORY
KALINA BRANCH,
SANTACRUZ (E), MUMBAI - 400098



**Rubber Seal of the Bank
HDFC Bank Ltd.**

L&T Finance Limited
Correspondence Address
Brindavan, CST Road,
Kalina, Santacruz (East)
Mumbai 400 098

Registered Office
7th Floor, Technopolis, A-Wing
Plot No 4, Block-BP, Sector-V
Salt Lake, Kolkata 700 091
CIN: U65910WB1993FLC060810

T +91 22 6212 5000
E customercare@lts.com

www.lts.com

THE FIFTH SCHEDULE ABOVE REFERRED TO

INFORMATION COVENANTS

1. The Company shall at the end of every calendar quarter within 45 days of the respective quarter or within 7 days of the relevant Board meeting whichever is earlier, submit to the Debenture Trustee a report confirming /certificate confirming the following:
 - a) Updated list of names and addresses of all the Debenture Holder(s) and the number of Debentures held by the Debenture Holder (s)/Beneficial Owner(s);
 - b) Details of interest due but unpaid, if any, and reasons for the same;
 - c) Details of payment of interest made on the Debentures in the immediately preceding calendar quarter;
 - d) The number of grievances pending at the beginning of the quarter, the number and nature of grievances received from the Debenture Holder(s) during the quarter, resolved/disposed of by the Company in the quarter and those remaining unresolved by the Company and the reasons for the same; and
 - e) Statement that the Security is sufficient to discharge the claims of the Debenture Holder(s) as and when they become due.

The Company shall also submit a certificate from a statutory auditor for every second fiscal quarter and fourth fiscal quarter certifying the value of book debts/receivables and maintenance of the Security Coverage Ratio, as per the terms of Information Memorandum and this Deed including compliance with the covenants of the Information Memorandum and any other covenants in respect of listed non-convertible debt securities in the manner as may be specified by SEBI from time to time.

2. The Company shall promptly submit to the Debenture Trustee any information, as required by the Debenture Trustee including but not limited to the following:
 - a) at the end of each year from the Deemed Date of Allotment, a certificate from the statutory auditors of the Company with respect to the use of the proceeds raised through the issue of Debentures. Such certificate shall be provided at the end of each year until the funds are fully utilized;
 - b) by no later than 30 (thirty) days from the Deemed Date of Allotment or within such timelines as prescribed under Applicable Law, a certificate signed by an authorised officer of the Company confirming credit of dematerialized Debentures into the depository accounts of the Debenture Holder(s) within the timelines prescribed under the Applicable Laws;
 - c) at the end of every year from the Deemed Date of Allotment, a certificate from a practicing chartered accountant/registered valuer confirming the value of the Secured Assets, and a half-yearly certificate alongwith half yearly results from the statutory auditor regarding maintenance of hundred percent security cover or higher security cover as per the terms of [Disclosure Document/Prospectus/ Offer Letter] and/or this Deed, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results;
 - d) upon there being any change in the credit rating assigned to the Debentures, as soon as reasonably practicable thereafter, a letter notifying the Trustee of such change in the credit rating of the Debentures, and further also inform the Debenture Trustee promptly in case there is any default in timely payment of interest or Redemption amount or both, or there is a failure to create charge on the Secured Assets, or there is a breach of any covenants, terms or conditions by the Company in relation to the Debentures under any Transaction Documents;
 - e) 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;
 - f) intimation to the Debenture Trustee (alongwith the stock exchange) if any of the following proposals being placed before the Board, at least 11 (eleven) Business Days in advance:
 - (i) any alteration in the form or nature or rights or privileges of the Debentures;
 - (ii) any alteration in the due dates on which interest on the Debentures or the Redemption amount is payable; and / or
 - (iii) any other matter affecting the rights and interests of the Debenture Holder(s) is proposed to be considered.
3. The Company shall promptly inform the stock exchange(s) and the Debenture Trustee all information having bearing on the performance/operation of the Company, any price sensitive information or any action that may affect the payment of interest or Redemption of the Debentures in terms of Regulation 51(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 4. The Company shall give prior intimation to the stock exchange(s) with a copy to the Debenture Trustee at least eleven Business Days before the date on and from which the interest on Debentures, and the Redemption amount of Debentures becomes payable or within such timelines as prescribed under Applicable Law.
 5. The Company shall promptly inform the Debenture Trustee the status of payment (whether in part or full) of Debentures within 1 (one) working day of the payment /Redemption. While intimating the Debenture Trustee, the Company shall also confirm whether they have informed the status of payment or otherwise to the stock exchange(s) and Depository.
 6. The Company shall submit to the stock exchange for dissemination, along with the Quarterly/annual financial results, the following information and submit the financials to trustee on same day:
 - a) Debt-equity ratio;
 - b) Debt service coverage ratio;
 - c) Interest service coverage ratio;
 - d) Debenture Redemption Reserve(if applicable)
 - e) Net worth;
 - f) Net profit after tax;
 - g) Earnings per share;
 - h) current ratio;
 - i) long term debt to working capital;
 - j) bad debts to Account receivable ratio;
 - k) current liability ratio;
 - l) total debts to total assets;
 - m) debtors turnover;
 - n) inventory turnover;
 - o) operating margin (%);
 - p) net profit margin (%);
 - q) sector specific equivalent ratios, as applicable.]
 - r) A statement indicating material deviations, if any in utilisation of the proceeds of the Debentures.
 7. The Company shall furnish to the Trustee details of all grievances received from the Debenture Holder(s)/ Beneficial Owner(s) and the steps taken by the Company to redress the same. At the request of any Debenture Holder(s)/ Beneficial Owner(s), the Trustee shall, by notice to the

Company call upon the Company to take appropriate steps to redress such grievance and shall, if necessary, at the request of any Debenture Holder(s)/ Beneficial Owner(s) representing not less than one-tenth in value of the nominal amount of the Debentures for the time being outstanding, call a meeting of the Debenture Holder(s).

8. To provide relevant documents/ information, as applicable, to enable the Debenture Trustee(s) to conduct continuous and periodic due diligence and monitoring of Security created, the Company shall submit the following reports/ certification within the timelines mentioned below:

Reports/Certificates	Timelines for submission requirements by Company to Debenture Trustee	Timeline for submission of reports/ certifications by Debenture Trustee to stock exchange
Security cover certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 75 days from the end of each quarter which is applicable for first three quarters / 90 days from the end of the financial year which is applicable for the last quarter from end of each quarter or within such timelines as prescribed under Applicable Law
Valuation report and title search report for the immovable/movable assets, as applicable	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Once in 3 years within 75 days from end of the financial year or within such timelines as prescribed under Applicable Law.

9. The Company shall promptly inform the Trustee of any major or significant change in composition of its Board, which may amount to change in control as defined in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The Company shall inform the Debenture Trustee, of any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Company.

10. The Company shall promptly supply certified copies to the Trustee of any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents (including, without limitation, in connection with any payment to be made hereunder) and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of the Transaction Documents.
11. The Company shall supply to the Debenture Trustee a copy of annual report at the same time as it is issued along with a copy of certificate from the Company's statutory auditor in respect of utilisation of funds, at the end of each year from the Deemed Date of Allotment, till the time such funds are fully utilized. In case the Debentures are issued for financing working capital or general corporate purposes or for capital raising purposes, copy of the auditor's certificate may be submitted at the end of each financial year till the funds have been fully utilised or the purpose for which these funds were intended has been achieved.
12. The Company shall supply to the Trustee (sufficient copies for all Debenture Holder(s) if the Trustee so requests), half yearly financial results within forty five (45) days from the end of the each half year, and the audited financial statements for a financial year (including statutory auditors report, directors' annual report, profit and loss accounts and a balance sheet) by no later than 60 (sixty) days from the end of the relevant financial year.
13. The Company shall promptly provide or inform the Debenture Trustee the details of all orders, directions, notices, of any court/Tribunal affecting or likely to affect the Secured Assets.
14. The Company shall submit to the Debenture Trustee/stock exchange and the Debenture Holder(s) correct and adequate information (in the manner and format as requested by them or as required

by Applicable Law) and within the time lines and procedures specified in the SEBI Regulations, Act, circulars, directives and/or any other Applicable Law.

15. The Company shall furnish the following to the Debenture Trustee:

- (a) its duly audited annual accounts, within 180 (One Hundred and Eighty) days from the close of its accounting year;
- (b) copy of the un-audited or audited financial results on a half yearly basis on the same day the information is submitted to stock exchanges i.e. within 45 (Forty-Five) days from the end of the half year or within such timelines as prescribed under Applicable Law;
- (c) a one-time certificate from the statutory auditor of the Company with respect to the use of the proceeds raised through the issue of Debentures as and when such proceeds have been completely deployed toward the proposed end-uses;
- (d) such information in relation to the Secured Assets that the Debenture Trustee may reasonably request (in a format which shall be provided by the Debenture Trustee from time to time) for the purpose of quarterly diligence by the Debenture Trustee to monitor the Security Coverage Ratio and shall also submit to the Debenture Trustee a certificate from the director/ managing director of the Company on half-yearly basis, certifying the value of the identified receivables as agreed in the Transaction Documents;
- (e) all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of SEBI circular dated November 3, 2020 and bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/218; and necessary reports / certificates to the stock exchanges / SEBI and make the necessary disclosures on its website, in terms of the SEBI circular dated November 12, 2020 and bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230.

16. The Company shall on quarterly basis:-

1. *An updated list of the loans comprising the identified assets / portfolio of receivables on a quarterly basis with such other certifications in respect of the identified assets / portfolio of receivables as may be required by debenture trustee*
2. *Such other information / details / reports as may be requested by the debenture trustee.*

17. The Company shall on half yearly basis:-

Certificate from its statutory auditor of the issuer giving the value of receivables/book debts including compliance with the covenants of the Offer Document/Information Memorandum in the manner as may be specified by the Board from time to time

18. Additional Covenants

i. Security Creation

If the Issuer fails to execute the Debenture Trust cum Hypothecation Deed within the timelines stipulated under applicable laws, without prejudice to any liability arising on account of violation of the provisions of the Companies Act, 2013 and the applicable regulations, the Issuer shall also pay the Default Interest Rate of 2% p.a. till the date of execution of the Debenture Trust cum Hypothecation Deed.

ii. Default in Payment and Other Defaults

In case of default in payment of interest and/or principal redemption on the due dates or observance of any other terms, conditions or covenants as per this Deed, Disclosure Document(s) in respect of the Debentures, additional interest/ default interest of at least @ 2% p.a. or such other rate as may be prescribed under the Applicable Law over and above the applicable implicit yield / Coupon Rate/ Interest Rate will be payable by the Issuer for the defaulting period in respect of the Debentures.

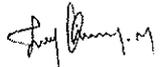
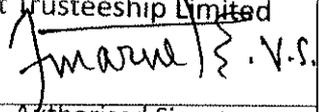
iii. Delay in Listing

In case of delay in listing of the debt securities, wherever applicable, beyond 3 (three) trading days from the date of closure of issue or such number of days as may be allowed (for getting the Debentures listed) under the Applicable Law in respect of the Debentures, the Issuer will pay default/ additional interest of at least 1 % p.a. over the coupon rate for the period of delay

to the investor (i.e., from the date of allotment to the date of listing);

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

IN WITNESS THEREOF, the parties have caused these presents to be executed by the authorised official, on the day and year first hereinabove written

SIGNED AND DELIVERED by, for and on behalf of L&T FINANCE LIMITED	SIGNED AND DELIVERED by, for and on behalf of CATALYST TRUSTEESHIP LIMITED
	For Catalyst Trusteeship Limited 
Name: Mr. Jayakumar Mukandan	Name: V.S. Amarnath Authorised Signatory
Title: Authorised Signatory	Title: Authorised Signatory