



## INDIA NON JUDICIAL

### Government of National Capital Territory of Delhi

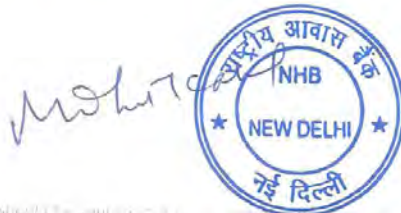
#### e-Stamp

Certificate No. : IN-DL73005966644725V  
Certificate Issued Date : 09-Mar-2023 11:17 AM  
Account Reference : IMPACC (IV)/ dl720603/ DELHI/ DL-DLH  
Unique Doc. Reference : SUBIN-DL72060318101348373657V  
Purchased by : NATIONAL HOUSING BANK  
Description of Document : Article 5 General Agreement  
Property Description : Not Applicable  
Consideration Price (Rs.) : 0  
(Zero)  
First Party : NATIONAL HOUSING BANK  
Second Party : AS PER AGREEMENT  
Stamp Duty Paid By : NATIONAL HOUSING BANK  
Stamp Duty Amount(Rs.) : 500  
(Five Hundred only)



(Please write or type below this line)

*This non-judicial stamp paper is an integral part of Debenture Trust Deed executed between National Housing Bank and IDBI Trusteeship Services Limited.*



Statutory Alert:

For authenticity of this stamp paper, please visit the website of the Government of National Capital Territory of Delhi.



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INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL73005645918680V  
Certificate Issued Date : 09-Mar-2023 11:17 AM  
Account Reference : IMPACC (IV)/ dl720603/ DELHI/ DL-DLH  
Unique Doc. Reference : SUBIN-DL72060318100773869599V  
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*Indurika*



Statutory Alert:

1. The authenticity of the Stamp certificate should be verified at [www.shoestamp.com](http://www.shoestamp.com) in absence of which, any discrepancy in the details of the Certificate may be reported to the relevant Market Approving Agency.
2. The date of checking, as indicated, is the date of the certificate.
3. In case of any discrepancy please inform the Certifying Agency.

DATED March 22, 2023

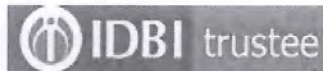
DEBENTURE TRUST DEED

FOR 7.77% REDEEMABLE, NON-CONVERTIBLE, LISTED, TAXABLE BONDS IN THE  
NATURE OF DEBENTURES



National Housing Bank  
("Bank")

AND



IDBI Trusteeship Services Ltd

IDBI TRUSTEESHIP SERVICES LIMITED  
as the Debenture Trustee





## DEBENTURE TRUST DEED

**THIS DEBENTURE TRUST DEED** (hereinafter referred to as the “**Deed**”) is made at New Delhi on this 22<sup>nd</sup> day of March, 2023.

### BY AND BETWEEN

1. NATIONAL HOUSING BANK, a bank established under the National Housing Bank Act, 1987 (53 of 1987) having its Head Office at 3rd- 5th Floor, Core 5A, India Habitat Centre, Lodhi Road, New Delhi-110003 (hereinafter referred to as the “Bank” or “NHB”, which expression shall, unless repugnant to the context or meaning thereof, deemed to include its successors and assigns) of **ONE PART**;

### AND

2. IDBI TRUSTEESHIP SERVICES LIMITED, a Company established under the Companies Act, 1956 (1 of 1956) having its Registered Office at Ground Floor, Universal Insurance Building, Sir P M Road, Fort, Mumbai – 400 001 and branch office at 1009, 10th Floor Ansal Bhawan, KG Marg, New Delhi-110001 (hereinafter called “the Trustees/Debenture Trustee”) (which expression shall include its successors and assigns and the Trustees for the time being wherever the context or meaning shall so require or permit) of the **OTHER PART**..

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

### WHEREAS:-

- I. The Bank is duly incorporated and validly existing under the laws of India and is established under the National Housing Bank Act, 1987 (53 of 1987) having its Head Office at 3rd- 5th Floor, Core 5A, India Habitat Centre, Lodhi Road, New Delhi-110003. The details of the authorised, issued, subscribed and paid-up share capital of the Institution/Issuer as on [December 31 ], 2022\_ is as under: -

**The entire equity share capital worth ₹ 1450 crore of NHB is held by Government of India. Further, share capital is not divided into number of units/shares.**

- II. The Bank proposes to issue the debentures pursuant to the provisions of Securities Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008 and relevant provisions of the Companies Act, 2013 and has passed a ALCO Resolution authorizing borrowing of funds by way of issuing from time to time various series of Listed Unsecured Redeemable Non-Convertible Bonds in the nature of Debentures of the face value of Rs.1 lakh each for an aggregate amount not exceeding the limit of Rs.1900 Crores (Rs. 1000 Crores plus Green Shoe Option of Rs. 900 Crore total aggregating to Rs. 1900 Crores) in dematerialized form on a private placement basis at a coupon rate of 7.77% per annum, (computed on a simple interest basis) to certain identified investors (hereinafter referred to as the “the Debentures”)
- III. Accordingly, the Bank pursuant to aforesaid resolutions on March 23, 2023 will allot] the Debentures for cash at par basis, in terms of the [Offer Letter/ Prospectus/ Disclosure Document] to the subscribers thereof (“**Debenture Holders**” or “**Non-Convertible Debenture Holders**” or “**NCD Holders**”).



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- IV. 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 March 09, 2023 bearing reference number 55298-A/CL/22-23/DEB/1293 has agreed to act as a debenture trustee, in trust for the benefit of the Debenture Holders. The Debenture Trustee and the Bank have entered into a debenture trustee agreement dated March 09, 2023, as amended from time to time ("**Debenture Trustee Agreement**") whereby the Bank 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,. Under the Debenture Trustee Agreement, the Parties have also agreed to execute a debenture trust deed in compliance with the provisions of the Act.
- V. Accordingly, the Debenture Trustee has called upon the Bank 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 Bank'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, , and the Bank has agreed to do so in the manner set out hereinafter.
- VI. 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 "**Account Bank**" shall have the meaning ascribed to the term in Clause 2.2.2 of this Deed.
- 1.1.2 "**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.
- 1.1.3 "**Board**" shall mean the board of directors of the Institution/Issuer for the time being and from time to time.
- 1.1.4 "**Business Day**" shall mean a day (other than a Saturday, Sunday or a Bank holiday) on which money market is functioning in Mumbai and<sup>1</sup> "**Business Days**" shall be construed accordingly.

<sup>1</sup> As per SEBI Circular dated November 11,2016 having reference no. CIR/IMD/DF-1/122/2016



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- 1.1.5 **"Debentures"** shall have the meaning ascribed to such term in Recital II hereto.
- 1.1.6 **"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.
- 1.1.7 **"Debenture Redemption Reserve"** shall mean the reserve created in terms of Clause 5.1.10 of this Deed<sup>2</sup>.
- 1.1.8 **"Debenture Trustee Agreement"** shall have the meaning ascribed to the term in Recital IV.
- 1.1.9 **"Deed"** shall mean this debenture trust deed as may be amended, modified, or supplemented from time to time.
- 1.1.10 **"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.
- 1.1.11 **"Depository"** shall mean the depository with whom the Institution/Issuer has made arrangements for dematerializing the Debentures namely, National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL).
- 1.1.12 **"Disclosure Document/ Prospectus/ Offer Letter"** shall mean disclosure document/ prospectus/offer document/ information memorandum/ private placement memorandum dated (23-02-2023), which sets out the key terms and conditions upon which the Debentures are proposed to be issued/ have been issued by the Institution/Issuer to the Debenture Holder(s).
- 1.1.13 **"Event(s) of Default"** shall mean any event or circumstance as described in Clause 4 of this Deed.
- 1.1.14 **"Existing Encumbrances"** shall mean the encumbrances stated in the **Fourth Schedule** written hereunder.
- 1.1.15 **"Financial Covenants and Conditions"** shall mean the covenants and conditions on the part of the Institution/Issuer to be observed and performed as set out in the Prospectus/ Disclosure Document and Part B - Clause 10.11 hereunder written and as the same may from time to time, be modified in accordance with these presents.
- 1.1.16 **"Final Redemption Date"** shall mean the date falling (3) years (10) days from the Deemed Date of Allotment, when the nominal amount of the outstanding Debenture/s is to be paid by the Institution/Issuer to the Debenture Holder(s) together with all the accrued coupon, further

<sup>2</sup> Applicability of the provision of Debenture Redemption reserve to be read in light of MCA notification dated August 16, 2019, bearing reference no. G.S.R. 574(E)



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interest, and all other monies whatsoever due and payable by the Institution/Issuer in respect of the Debentures.<sup>3</sup>

- 1.1.17 **“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.
- 1.1.18 **“Initial Contribution”** shall have the meaning ascribed to the term in Clause 3.2.1.
- 1.1.19 **“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 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 /legal proceedings and/or entering into an inter-creditor agreement, as amended from time to time.
- 1.1.20 **“Insurance Policies”** shall mean all or any of the policies that are required to be maintained by the Bank pursuant to the Transaction Documents including those set out in **Part D of the First Schedule** written herein under, any replacement policies or future policies thereof and includes any proceeds and or claims and other monies due under the policies.
- 1.1.21 **“Issue Closing Date”** shall mean the date of closure of the Issue of Debentures, as set out in the Disclosure Document.
- 1.1.22 **“Material Adverse Effect”<sup>4</sup>** 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:
- the business, operations, property, assets, condition (financial or otherwise) or prospects of the Bank; or
  - the ability of the Institution/Issuer to perform its obligations under any Transaction Documents or affects the validity of the Transaction Documents or any other related document to which Institution/Issuer is or will be a party; or
  - 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
  - legality or validity or enforceability of, or the effectiveness pursuant to any of, the Transaction Documents; or
  - any other effect or change which adversely affects the interest of the Debenture Holder(s) /Beneficial Owner(s) or the Debenture Trustee.
- 1.1.23 **“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

<sup>3</sup> Comment: Please note that in the event the final redemption date is less than one year from the allotment date, the same shall be subject to compliance with the directions issued by RBI in this regard, in addition to applicable provisions of SEBI NCD Regulations and Companies Act, 2013

<sup>4</sup> This will further be subject to the specific terms of the issuance.



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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").

- 1.1.24 "**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.
- 1.1.25 "**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.
- 1.1.26 "**Purpose**" shall mean the purpose for which the Debentures have been issued by the Bank to mobilize long term resources for providing financial assistance for housing or for any other purpose as laid down in NHB Act, 1987
- 1.1.27 "**Quarter**" shall mean the period of three months commencing on the first day of January, April, July or October of a calendar year.
- 1.1.28 "**RBI**" means the Reserve Bank of India.
- 1.1.29 "**Recovery Expense Fund**" shall mean fund contributed by the Institution/Issuer towards creation of a recovery expense fund as required to be created in terms of the SEBI REF Circular.
- 1.1.30 "**Repayment**" shall include "**Redemption**" and *vice versa* and the expressions repaid, repayable, repayment, redeemed, redeemable and redemption shall be construed accordingly.
- 1.1.31 "**Record Date**" shall mean the date as set out in the [Prospectus/ Disclosure Document/ Offer Letter] and Clause 10.13 of this Deed.
- 1.1.32 "**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 10.12 of this Deed.
- 1.1.33 "**SEBI**" shall have the meaning ascribed to such term in Recital IV.
- 1.1.34 "**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.
- 1.1.35 "**SEBI NCS Regulations**" means the Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021, as may be amended, modified or supplemented from time to time.
- 1.1.36 "**SEBI Operational Framework Circular**" shall mean the SEBI circular bearing reference number SEBI/HO/DDHS/CIR/P/103/2020 dated June 23, 2020, as amended from time to time.
- 1.1.37 "**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.



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- 1.1.38 “**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.
- 1.1.39 “**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.
- 1.1.40 “**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 Institution/Issuer under this Deed.
- 1.1.41 “**Tax Deduction**” means a deduction for or on account of Tax from a payment under a Transaction Document.
- 1.1.42 “**Tenor**” shall mean expiry of (3 years and 10 days from the Deemed Date of Allotment.
- 1.1.43 “**Third Mortgaged Property**” shall have the meaning ascribed to it under Clause 11.8.1(c) hereof, as more specifically described in the **Part C of First Schedule** hereunder written.
- 1.1.44 “**Transaction Documents**” shall mean the documents executed in relation to the issue of 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, , necessary powers of attorney (if any) and such other documents as designated as such by the Debenture Trustee.
- 1.1.45 “**NHB Act**” shall mean the National Housing Bank Act, 1987 and shall include any other statutory amendment or re-enactment thereof;
- 1.1.46 “**NHB Bond Regulations**” shall mean the National Housing Bank (Issue & Management of Bonds) Regulation, 1989, and shall include any amendment or re-enactment thereof;

## 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



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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 Institution/Issuer 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 Bank.
- 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<sup>5</sup>, 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 on a day other than a Business Day, the Redemption amount shall be paid by the Bank on the immediately preceding Business Day<sup>6</sup> 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 In the event there is any conflict between the provisions of the Part A and Part B of this Deed, the specific terms in Part B shall prevail over the inconsistent provisions, if any, in Part A.
- 1.2.13 The obligations of the Institution/Issuer 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 this Deed shall prevail over the Information Memorandum for all purposes and to all intents<sup>7</sup>.

<sup>5</sup> In terms of SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI Circular No.CIR/IMD/DF-1/122/2016 dated November 11,2016

<sup>6</sup> In terms of SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11,2016

<sup>7</sup> The nature of transaction (public or private issue etc) to be considered and this provision may be modified on case to case basis



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## PART – A OF THE DEBENTURE TRUST DEED

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

#### 2.1 Amount of Debentures:

The Debentures are being issued and allotted, on Private Placement basis, in dematerialized form/physical form for cash at par in terms of this Deed and (7.77%) (NHB Unsecured, Redeemable, Non-Convertible, Listed, Taxable Bonds in the nature of Debentures) [rated listed secured redeemable, non-convertible debentures of the face value of Rs. (1,00,000) (Rupees One Lakh only) for an aggregate nominal value of Rs. (19,00,00,00,000) (Rupees One Thousand Nine Hundred Crore only), to the Debenture Holder(s)/Beneficial Owner(s), as the case may be. The Institution/Issuer shall utilise the monies received from the subscription of the Debentures solely towards the Purpose viz., to meet to mobilize long term resources for providing financial assistance for housing or for any other purpose as laid down in NHB Act, 1987).

#### 2.2 Covenant to Pay Principal and Interest:

- 2.2.1 The Bank 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 Bank 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 Bank 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.

- 2.2.2 The Bank shall, at all times until the Obligations have been duly discharged, maintain a bank account no. **00600350008114** with HDFC Bank Ltd., Branch **Fort Mumbai** (“**Account Bank**”) from which it proposes to pay the redemption amount. The Bank agrees and acknowledges that they shall also inform the Debenture Trustee within 1 (one) working day of any change in the Account Bank details.
- 2.2.3 The Bank 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 Institution/Issuer to the Account Bank is annexed herewith as **Fifth Schedule, Part A<sup>8</sup>** and a duly accepted consent letter from the Account Bank is annexed herewith as **Fifth Schedule, Part B<sup>9</sup>**. 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<sup>10</sup>.
- 2.2.4 The Bank 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 Bank (including any applicable default

<sup>8</sup> Mandatorily executed pre-authorisation letter to be annexed in Fifth Schedule.

<sup>9</sup> This is discretionary and is subject to the bank's policy

<sup>10</sup> SEBI circular No. SEBI/HO/DDHS/CIR/P/103/2020 dated June 23, 2020



*Mohit Kaul*





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

- 2.3.2 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<sup>11</sup>.
- 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 Institution/Issuer 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 Institution/Issuer 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<sup>12</sup>.

## 2.4 FORM OF THE DEBENTURES

- 2.4.1 The Debentures, if in physical form, shall be substantially in the form stated in Part – “A” of **Second Schedule** hereunder written and shall be endorsed with the Financial Covenants and Conditions and issued by entering the name of the Debenture Holder(s) in the register of Debenture Holder(s) maintained either by the Institution/Issuer or by the registrar appointed by the Institution/Issuer; or 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 Bank 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. The Bank shall comply with the provisions of section 56(4) of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, for the issuance of the Debentures in physical form. 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 payable 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.

<sup>11</sup> In terms of SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016

<sup>12</sup> As per Reg. 12 of the SEBI (LODR), 2015



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

2.4.4 The Bank 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 Bank 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 two 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 Bank.

Transfer of Debentures in dematerialized form would be in accordance with the rules/procedures as prescribed by the Depository.

## 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 Institution/Issuer 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.

2.7.2 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.

## 2.8 LISTING AND CREDIT RATING

2.8.1 The Bank has listed/ shall list the Debentures on the [wholesale debt market segment] National Stock Exchange of India Limited (NSE).

2.8.2 The Bank 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 Working 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 (if applicable) and execution of the Debenture Trust Deed. In case of delay in listing of the Debentures (issued on private



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placement basis) beyond the timelines specified above, the Bank will pay penal interest, to the Debenture Holders, of at least 1.00% p.a. over the coupon rate stated in Clause 10.10 hereof from the Deemed Date of Allotment until the listing of such Debentures<sup>13</sup> on the entire outstanding amount pertaining to the Debentures.

2.8.3 The Bank 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 Bank.

2.8.4 The Debentures are rated as<sup>14</sup>:

- a) AAA/Stable by CRISIL Limited. The rating indicates high degree of safety with regard to timely payment of financial obligations;
- b) AAA/Stable by ICRA Limited. The rating indicates high degree of safety with regard to timely payment of financial obligations;

The Bank 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.<sup>15</sup>

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]<sup>16</sup>.

## 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 Bank 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 Institution/Issuer under or pursuant to the condition's 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 Bank 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 [Schedule/ Annexure] of the Debenture Trustee Agreement<sup>17</sup>. The Bank appoints IDBI Trustee Services 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:

<sup>13</sup> As per the Regulation 46 of SEBI (NCS) Regulations, 2021 read with Operational Circular dated 10.08.2021, SEBI Circular No. SEBI/HO/DDHS/CIR/P/2020/198 dated 05.10.2020 [pvt, placement]. SEBI circular dated SEBI/HO/DDHS/CIR/P/2020/233 dated 23.11.2020

<sup>14</sup> To be modified as per the rating letter

<sup>15</sup> As per Reg 55 of the SEBI(LODR) Regulation, 2015

<sup>16</sup> This is subject to specific terms of the issue

<sup>17</sup> Applicable for listed debentures





- (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.

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 Bank 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) all sums received by it under this Deed (save for any sums received solely for its own account); and
- (c) all monies received by it out of, whether prior to or as a result of enforcement /legal proceedings 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 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 Obligations is irrevocably discharged and paid in full by the Bank to the Debenture Holder/Beneficial Owner and the Trustee under the Transaction Documents.

### 3.3 Trustee Remuneration



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- 3.3.1 The Bank shall pay to the Trustee remuneration as mentioned in the offer letter dated 09<sup>th</sup> March 2023 bearing reference number 55298-A/CL/22-23/DEB/1293, as may be amended or supplemented from time to time, for their services to act as Debenture Trustee excluding 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 Institution/Issuer 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 Bank 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<sup>18</sup>.
- 3.3.3 The Bank 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 the Institution/Issuer 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 as determined by the court of competent jurisdiction in respect of the Transaction Documents.
- 3.3.4 The Bank 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.

#### 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 Bank.
- 3.4.2 The Bank 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 Bank 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.

<sup>18</sup> To be included in the deed if not specified in the offer letter or DTA





- 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 Bank 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 Bank or by the Trustee or otherwise and shall not be responsible for any loss occasioned by so acting. 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 Bank as to any act or matter *prima facie* within the knowledge of the Bank 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 Bank'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 and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so. 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 review the title of the Bank to the Mortgaged Properties on the basis of title search reports procured from external advocates, as applicable, and verify that the title deeds submitted for creating mortgage over the Mortgaged Properties are consistent with the relevant title search reports. For the avoidance of doubt, it is clarified that the Trustee shall not be bound or concerned to examine or inquire into or be liable for any defect in or any insufficiency of these presents or in or of the title to the Mortgaged Properties or any part thereof or the description thereof in the **First Schedule** hereunder





written or anything relating thereto except placing reliance on the title search reports as submitted to it by such external advocates;

- (d) The Trustee shall have the right to rely on notices, communications, advertisement or any information on the website of the Bank or any other related party with respect to issue of Debentures;
- (e) The Trustee shall not be responsible for acts and omissions of its employees performed during the normal course of its business except in case of gross negligence, wilful misconduct and fraud as conclusively determined by court of competent jurisdiction;
- (f) The Trustee shall not be bound to give notice to any person of the execution hereof or to see to the performance or observance of any of the obligations hereby imposed on the Bank or in any way to interfere with the conduct of the Bank's business or other than as specifically required in terms of Applicable Laws, unless and until there is an occurrence of any of the Event(s) of Default hereby constituted or the rights under the Debentures shall have become enforceable and the Trustee shall have determined to enforce the same;
- (g) 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 Bank whose business includes undertaking the safe custody of documents or with an advocate or firm of solicitors and the Trustee shall not be responsible for any loss incurred in connection with any such deposit and the Trustee may pay all sums required to be paid on account of or in respect of any such deposit;
- (h) The Trustee shall not be bound to take any steps to ascertain whether any Event of Default has happened upon the happening of which the rights under the Debentures becomes enforceable unless the Debenture Trustee has actual knowledge of such Event of Default. In the event the Trustee has actual knowledge of certain facts which would consequently result in an Event of Default, the Trustee shall immediately inform the Debenture Holder(s);
- (i) 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 Bank 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.
- (j) 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 as determined by the court of competent jurisdiction shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof and in particular they shall not be bound to act at the request or direction of the Debenture Holder(s)/Beneficial Owner(s) under the provisions of these presents unless sufficient monies shall have been provided or provision to the satisfaction of the Trustee made for providing the same and the Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;





- (k) The Trustee shall not be responsible for the monies paid by applicants for the Debentures or be bound to see to the application thereof;
- (l) 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.
- (m) 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.
- (n) The Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holder(s)/Beneficial Owner(s) in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture-holder(s)/Beneficial Owner(s);
- (o) Without prejudice to the rights to indemnify by law given to the Trustee, the Trustee and every receiver, attorney, manager appointed by them shall subject to the provisions of the Act be entitled to be indemnified out of properties charged/to be charged to the Trustee in respect of all liabilities and expenses incurred by any of them in the execution or purported execution of the powers and trusts thereof including liabilities and expenses consequent to any bona fide mistake, oversight, error of judgement or want of prudence on the part of the Trustee or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in anywise relating to the properties charged/to be charged to the Trustee and the Trustee may retain and pay out of any monies in their hands the amount of any liabilities and expenses necessary to effect such indemnity and also remuneration of the Trustee as herein provided and the Trustee shall have a lien on the properties charged/to be charged to the Trustee for all money payable to them arising out of or in connection with these presents or the issue of the Debentures;
- (p) 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;
- (q) The Trustee and its employees shall not be liable for anything whatsoever except a breach of trust knowingly and intentionally committed by the Trustee;



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- (r) The Trustee shall be under no obligation to provide the Debenture Holders with any credit or other information concerning the financial condition or affairs of the Bank, except those received by it in its capacity as the Trustee hereunder.
- (s) The Trustee and its employees shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts expressed in these presents or contained or any of them or in enforcing the covenants contained therein or any of them or in giving notice to any person or persons of the execution thereof or in taking any other steps which may be necessary, expedient or desirable for any loss or injury which may be occasioned by reason thereof unless such liability is vested in terms of the Applicable Laws on the Trustee or the Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid if authorized or approved by Majority Debenture Holders and the Trustee shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient moneys shall have been provided or provision to the satisfaction of the Trustee made for providing the same by or on behalf of the Debenture Holder(s)/Beneficial Owner(s) or some of them in order to provide for any costs, charges and expenses which the Trustee may incur or may have to pay in connection with the same and the Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liabilities which may be incurred in complying with such request.

PROVIDED NEVERTHELESS that nothing contained in this clause shall exempt the Trustee from or indemnify them against any liability for breach of trust or any specific obligations cast upon them under the Applicable Laws nor any liability which by virtue of any rule or law would otherwise attach to them in respect of any gross negligence, wilful default or breach of trust which they may be guilty in relation to their duties thereunder, as may be finally determined by a court of competent jurisdiction.

### 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, 2021 read with Operation Circular dated 10.08.2021, 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 Institution/Issuer, as may be required by the Debenture Trustee to comply with its obligations under the Applicable Laws
- (d) issue letters / confirmations / no objection certificate, or any other communication as requested by the Institution/Issuer in accordance with the Transaction Documents;





- (e) ascertain and:
- i. exercise due diligence to the extent required under Applicable Law, to ensure compliance by the Institution/Issuer, 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) 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 alongwith all information relating to cure periods (if any) and action taken or proposed to be taken by the Trustee therefor;
- (g) 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);
- (h) 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);
- (i) shall not relinquish its assignment unless and until another debenture trustee has been appointed in its place;
- (j) 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;
- (k) 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;
- (l) convene a meeting of the Debenture Holder(s) in accordance with Applicable Laws;
- (m) seek the status of payment from the Bank and/or conduct independent assessment (viz., from the Account Bank, Debenture Holders, rating agencies etc.,) to determine if the Institution/Issuer 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<sup>19</sup>. 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 7<sup>th</sup> working day of April of each financial year, if the Bank fails to provide the updated status of the payment of the Debentures within the 2<sup>nd</sup> working day of April of the relevant financial year;





- (n) 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;
- (o) issue a 'No Objection Certificate (NOC)' to the designated stock exchange for refund of balance in the Recovery Expense Fund to the Institution/Issuer on repayment of 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 Bank before issuing such NOC;
- (p) 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
- (q) 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).

#### 4. EVENTS OF DEFAULT<sup>20</sup>

*[SAM Note: Suitable cure periods may be included for non-payment defaults as per the terms of the issuances of Debentures]*

4.1 The occurrence of any one of the following events shall constitute an "Event of Default" by the Bank:

##### 4.1.1 Default in redemption of debentures<sup>21</sup>

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 Institution/Issuer 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 Institution/Issuer other than any payment defaults under this Deed or the other Transaction Documents or deeds entered into between the Institution/Issuer and the Debenture Holder(s)/Beneficial Owner(s)/ Debenture Trustee.

##### 4.1.4 Misleading Information

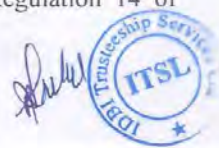
Any information given by the Bank in the Disclosure Documents/Prospectus/ Offer Letter, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Institution/Issuer to the Debenture Holder(s)/Beneficial Owner(s) for availing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

<sup>20</sup> As per SH-12 of Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 14 of SEBI(DT) Regulations, 1993

<sup>21</sup> As per SH-12 of Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 14 of SEBI(Debenture Trustee) Regulations, 1993



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4.1.5 If extraordinary circumstances have occurred which make it improbable for the Bank to fulfill its obligations under this Deed and/or the Debentures in the opinion of the Debenture Trustee.

4.1.6 If it is certified by the Statutory Auditors that the liabilities of the Bank exceed its assets indicating the inability of the Bank to discharge its obligations under this Deed.

**4.1.7 Unlawfulness**

It is or becomes unlawful for the Bank to perform any of its material obligations under any Transaction Document in the opinion of the Debenture Holder/Beneficial Owner(s).

**4.1.8 Material Adverse Effect**

The occurrence of any event or condition which, in the reasonable opinion of the Trustee or the Debenture Holder(s)/ Beneficial Owners(s), constitutes a Material Adverse Effect.

**4.1.9 When the Institution/Issuer without the consent of debenture holders ceases to carry on its business or gives notice of its intention to do so;**

**4.1.10 When an order has been made by the Tribunal or a special resolution has been passed by the members of the Institution/Issuer for winding up of the Institution/Issuer;**

Any other event described as an Event of Default in the Disclosure Documents//Prospectus/ Offer Letter and the Transaction Documents.

**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 Institution/Issuer) 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 and also 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:

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

- (a) to levy default interest on overdue amounts as per the terms of issue;<sup>22</sup> and
- (b) to exercise such other rights as the Debenture Holder(s) may deem fit under Applicable Law.

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

<sup>22</sup> Applicable in case of privately placed debentures as per SEBI ILNCS Regulations which provide that in case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Bank for the defaulting period





- 4.2.5 The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement or initiation of legal proceedings 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
- 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) collection of amounts due under this Deed, shall be payable by the Bank.

## **5. COVENANTS**

### **5.1 General Undertakings/ Obligations**

- 5.1.1. The Bank 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.
- 5.1.2. The Bank 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 business of the Bank and keep the said books of account and all other books, registers and other documents relating to the affairs of the Institution/Issuer 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 Bank will ensure that all entries in the same relating to the business of the Bank 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.
- 5.1.3. The Bank shall comply with all applicable directions, regulations and guidelines issued by any Governmental Authority including but not limited to the issue of Debentures.
- 5.1.4. So long as the Debenture Holder(s) continue to hold the Debentures, the Bank agrees and undertakes to comply with all Applicable Laws, 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, 2021 read with Operational Circular dated 10.08.2021 (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<sup>23</sup>.
- 5.1.5. The Bank hereby declares that the Institution/Issuer is in compliance with the provisions of the Foreign Account Tax Compliance Act ("FATCA") and the Bank hereby undertakes to ensure the compliance of the provisions of the FATCA at all times during the currency of the

<sup>23</sup> As per the SEBI(Listing Obligations and Disclosure Requirements), DT regulations and Companies Act,2013





Debentures. The Bank agrees to provide the respective authorities with any documentation or information requested relating to self or beneficiary or related Tax entity to the extent required by the Debenture Trustee for meeting its compliances. The Bank agrees that it will provide a copy of the documents provided to the Tax authorities to the Debenture Trustee for its records. Further, the Bank shall indemnify and hold harmless the Debenture Trustee for any penal consequence arising due to non-compliance of the aforesaid provision by the Institution/Issuer.

- 5.1.6. The Bank shall pay and discharge all Taxes, rates, rents and governmental charges upon the Bank or its assets under Applicable Laws.
- 5.1.7. The Bank 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. The Bank is not guided by the Companies Act, 2013; therefore, these guidelines are appeared to be not applicable on NHB. However, in case of any new guidelines by the SEBI to the Development Financial Institutions (DFIs), the same may be applicable to National Housing Bank (NHB).
- 5.1.8. The Bank shall maintain a reserve to be called the "**Debenture Redemption Reserve**" as per the provisions of Act read with rules made thereunder or any regulations or guidelines issued by SEBI, as applicable. The Bank shall submit to the Trustee a certificate duly certified by the statutory auditors certifying that the Bank has transferred suitable sum to the Debenture Redemption Reserve at the end of each of financial year as per the Applicable Law.<sup>24 25</sup>
- 5.1.9. The Bank 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/Legal Proceedings in accordance with the Transaction Documents. The Bank 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 Institution/Issuer prior to the opening of the issue<sup>26</sup>. The balance in the Recovery Expense Fund shall be refunded to the Bank on repayment of 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 Institution/Issuer before issuing the said NOC.
- 5.1.10. The Bank 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 Bank 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.
- 5.1.11. The Bank shall operate and maintain the Project in compliance with the terms of Applicable Law<sup>27</sup>.

<sup>24</sup> This clause may be removed where the DDR is not required to be created as per applicable laws

<sup>25</sup> Required as per the SEBI DT regulations and the Companies Act 2013. To be deleted in case of AIFIs, banking companies. In case of FI's and NBFC to be retained only for private placement issue

<sup>26</sup> Applicable from 01.01.2021 - SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated 22-10-2020

<sup>27</sup> To delete if no project is envisaged



*Signature*





- 5.1.12. The Bank 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.
- 5.1.13. The Bank 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.<sup>28</sup>
- 5.1.14. The Bank agrees and undertakes to constitute a stakeholders' relationship committee (if applicable), in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to look into the mechanism of redressal of grievances of the Debenture Holders.<sup>29</sup>
- 5.1.15. The Bank hereby agrees, confirms and undertakes that in the event the Bank has failed to make a timely Repayment of the Obligations 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<sup>30</sup>.
- 5.1.16. The Bank 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.<sup>31</sup>
- 5.1.17. The Bank hereby irrevocably and unconditionally appoints the Trustee to be the lawful attorney of the Institution/Issuer in the name and on behalf of the Institution/Issuer 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 Bank should execute, sign and do for the purpose of carrying out any of the trusts of obligations declared or imposed upon the Institution/Issuer 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 Bank in the exercise of all or any of the powers hereby conferred upon the Trustee or any Receiver appointed by them.
- 5.1.18. Subject to the Applicable Law, the Bank may at its discretion by giving 15 (fifteen) days' notice or such notice as prescribed under Applicable Law, seek the roll-over of any or all the Debenture. If the proposed roll over of the Debentures is approved by the Debenture Holder(s) by passing of a Special Resolution by them<sup>32</sup>, the Bank shall roll over the debentures in accordance with the approval of the Debenture Holders. Provided however that the Bank shall redeem the Debenture(s) of all the Debenture Holder(s), who have not given their positive consent to such roll-over.

<sup>28</sup> As per SEBI circular SEBI/ HO/ MIRSD/ DOS3/CIR/P/2019/68 dated May 27, 2019

<sup>29</sup> Applicable only if provisions of Regulation 20 of SEBI LODR Regulations are attracted

<sup>30</sup> As per SEBI (NCS) Regulation read with Operational Circular dated r

<sup>31</sup> SEBI (Listing obligation and Disclosure requirement) Regulations, 2015

<sup>32</sup> Applicable for public issuances. As per SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2020, w.e.f. 08.10.2020





5.1.19. The Bank 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 Bank 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 Bank 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 Bank shall reimburse the same to the Trustee on demand.

5.1.20. The Bank undertakes that it shall:

- a) at all times, obtain and maintain, or cause to be obtained and maintained, in full force and effect (or where appropriate, renew) all clearances/ authorizations required for the purposes of the Project/business and all transactions as contemplated by the Transaction Documents, non-procuring or non-renewal whereof shall have a Material Adverse Effect.
- b) ensure that all Transaction Documents, when executed, shall constitute its legal, valid and binding obligations under Applicable Law;
- c) attend to the complaints received in respect of the Debentures expeditiously and satisfactorily.
- d) if any of the Directors of the Bank are added to any defaulter's list by any Governmental Authority, take immediate steps forthwith to remove such person from its Board.
- e) 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, and generally do all other acts (if any) necessary for the purpose of assuring the legal validity of these presents.
- f) have no objection and hereby agrees, confirms and undertakes that in the event the Bank has failed to make a timely Repayment of the 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 Bank,
    - (2) information or data relating to this Deed ;
    - (3) default committed by the Bank 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;



*[Handwritten signature]*





- 5.1.21. The Bank 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.
- 5.1.22. The Bank 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.
6. Bank undertakes to comply with all the directions/ guidelines/ circulars/ regulations issued by SEBI and 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, 2020 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.

## 5.2 Information Covenants (wherever applicable)

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

## 5.3 Negative Covenants

- 5.3.1 The Bank shall not, without prior intimation to the Debenture Trustee, make any change in the nature and conduct of its business (from what is being carried out as on the date hereof)<sup>33</sup>, other than the objects as set out in National Housing Bank Act, 1987.
- 5.3.2 The Bank 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 applicable law including approval of the requisite majority of Debenture Holder(s).<sup>34</sup> Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.
- 5.3.3 The Bank shall not, without the prior consent of the Debenture Trustee, abandon or agree to abandon its [Project/ business] other than the objects as set out in National Housing Bank Act, 1987

<sup>33</sup> SEBI Model Trust Deed and Companies Act Trust Deed

<sup>34</sup> SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015



*[Handwritten signature]*





## 6 BANK'S REPRESENTATIONS AND WARRANTIES

### 6.1. Representations

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

#### a. Status

The Bank is a Statutory Body, 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 Bank 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 Bank 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 Bank;
- (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 Bank is a party, admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.

#### e. Compliance with laws

The Bank is in material compliance with Applicable Laws, with all Tax laws in all jurisdictions in which it is subject to Tax, and is not subject to any present liability by reason of non-compliance with such Applicable Law as would materially affect the ability of the Bank to execute the Project or to conduct the business. The Bank has paid all Taxes due and payable by it (save and except for the Tax claims which are being contested by the Institution/Issuer in good faith before appropriate forums and has been disclosed to the Debenture Trustee in writing) and no claims have been asserted or are being asserted against it in respect of Taxes as would affect the ability of the Bank to execute the Project/ conduct its business.

#### f. Compliance with the Money Laundering Laws

The operations of the Institution/Issuer and its subsidiaries (if any) shall be conducted at all times in compliance with applicable Anti-Money Laundering Laws.



*Mohit Kant*





The operations of the Issuer Institution/Issuer and its subsidiaries (if any) are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements, as applicable money laundering statutes of all jurisdictions where the Institution/Issuer or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Institution/Issuer or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Institution/Issuer threatened.

g. 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 Bank of any of the Transaction Documents.
- (ii) No other event or circumstance is outstanding which constitutes (or would to the best of the knowledge of the Bank do so with the expiry of the cure period/grace period, the giving of notice, the making of any determination, the satisfaction of any other condition or any combination of any of the foregoing) an Event of Default (howsoever described) under any other lending agreement or instrument which is binding on it or to which its assets are subject.

h. No misleading information

- (i) Any factual information provided by or on behalf of the Bank 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

i. 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, will have a Material Adverse Effect, have (to the best of its knowledge and belief after due and careful enquiry) been started or threatened against the Bank.

j. No immunity

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

k. Solvency

- (i) The Bank is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts.
- (ii) The Bank, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.





- (iii) The value of the assets of the Bank is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (iv) No moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any indebtedness of the Bank.

l. Approvals

Except for any approvals as may be required in connection with the business subsequent to the date hereof, the Bank hereby confirms that all approvals necessary under Applicable Law with respect to the business of the Bank, have been taken by it and the same are valid and subsisting as at the date hereof.

m. Defaulter's List

The names of the Bank 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.

n. 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.

m. Eligibility

The Bank is an eligible issuer as prescribed under the provisions of the SEBI (Issue and Listing of Non-Convertible Securities), 2021.

## 7 MISCELLANEOUS

- 7.1 The Trustee shall concur with the Bank 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.

### 7.2 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-



*[Handwritten signature]*





**For IDBI Trusteeship Services Limited (Debenture Trustee)**

Universal Insurance Building,  
Ground Floor, Sir P.M. Road,  
Fort, Mumbai – 400001  
Kind Attn: Mr. Praddeep Hande  
Phone: 022-40807000/37  
Email: Pradeep.hande@idbitrustee.com/itsl@idbitrustee.com  
Fax: 022 - 6631 1776

**For Bank: NATIONAL HOUSING BANK**

[Head Office: India Habitat Centre  
Core 5A, 3rd - 5th Floor, Lodhi Road,  
New Delhi -110003]  
Kind Attn: Dr. Mohit Kaul  
Phone: 011-39187064/103  
Email: bonds@nhb.org.in  
Fax: 011-2464 6988

- 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 Bank 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 Institution/Issuer 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 Bank 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 Institution/Issuer and the Institution/Issuer assumes full responsibility for the same
- b) The Bank 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 except in case of gross negligence, wilful misconduct and fraud as conclusively determined by court of competent jurisdiction.
- c) With respect to electronic communication/instructions, 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 Bank's risk and the Trustee shall not be liable for the consequences of any such refusal or omission to act or deferment of action except in case of gross negligence, wilful misconduct and fraud as conclusively determined by court of competent jurisdiction; and
- d) The Bank agrees to indemnify the Trustee for any causes, actions, claims, damages, liabilities etc. that may arise out of acting under such electronic instructions except in case of gross negligence, wilful misconduct and fraud as conclusively determined by court of competent jurisdiction.

#### 7.4 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 Bank 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.



*Mohit Kan*





## 7.5 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 Institution/Issuer 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 Bank.

## 7.6 TAX GROSS-UP AND INDEMNITY

- (a) All payments to be made by the Bank 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 Bank is required to make a Tax Deduction under any Applicable Law.
- (b) The Bank 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 Bank on becoming so aware in respect of a payment payable to the Debenture Trustee.
- (c) If the Bank is required to make a Tax Deduction, the Institution/Issuer shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required 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 Bank 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 Bank shall, upon demand, promptly 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.

## 7.7 FURTHER ASSURANCES

The Bank 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



*Signature*





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.

#### **7.8 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.

#### **7.9 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.

#### **7.10 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 New Delhi 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 Bank hereby consents to that jurisdiction.





## PART – B OF THE DEBENTURE TRUST DEED

### 8 ISIN RELATED AND FINANCIAL COVENANTS AND CONDITIONS:<sup>35</sup>

#### 8.1 Issue Opening Date<sup>36</sup>

Issue Opening Date shall mean 20 day of March, 2023.

#### 8.2 Issue Closing Date

Issue Closing Date shall mean 20 day of March, 2023.

#### 8.3 Pay in Date

The Pay in Date shall mean 23 day of March, 2023.

#### 8.4 Deemed Date of Allotment

The Deemed Date of Allotments shall mean 23 day of March, 2023.

#### 8.5 Risk factors pertaining to the issue

The issuer is a statutory body under the Government of India. The investor should carefully consider all the information in this Offer Letter, including the risks and uncertainties before making an investment in the Bonds.

Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, financial condition, and prospects.

The bonds are unsecured in nature. the recovery of 100% of outstanding amount shall depend on the market scenario prevalent at the time of enforcement of the Bonds pursuant to Event of default.

The stock exchanges have not refused listing applications for any issue of National Housing Bank during the last three years.

There have been no defaults in any default in compliance with the material covenants as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable for any of our outstanding debt instruments.

#### 8.6 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.

#### 8.7 Interest:

- (a) The Bank shall pay interest on the Debentures on a yearly basis. The first interest payment for the Debentures shall be made on day falling at the end of 12 months from the date of the Deemed Date of Allotment and subject to Sub-Clauses (c), (d) and (e) hereunder, subsequent interest payments shall be made every 12 months thereafter

OR

<sup>35</sup> ISIN's for which this DTD is valid for and consequences in case of consolidation and reissuance of securities or redemption of particular ISIN's

<sup>36</sup> Clause 10.2 to 10.9 to be included as per Part B, Schedule I of the (Issue and Listing of Debt Securities) (Amendment) Regulations, 2020, w.e.f. 08.10.2020



*Shri Kant*





- (b) The interest shall be payable by the Bank in accordance with the provisions of this Deed.
- (c) PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED that all interest which shall accrue on the outstanding Debentures or any part thereof and for the time being remaining unpaid and all other monies which have become payable under these presents shall in case the same be not paid on the dates on which they accrued due, carry compound interest at monthly rests, at the aforesaid rate will become due and payable over the monies due for the period of default.
- (d) PROVIDED HOWEVER, in the event of any default in the payment of interest and/or in the redemption of the Debentures and all other monies payable pursuant to this Deed read with the Disclosure Documents/Prospectus, the Institution/Issuer shall pay to the holder/s of the Debentures, further interest at the rate of 2% per annum over<sup>37</sup> the interest rate for the default in payment of interest, additional interest and/or principal amount till the dues are cleared.
- (e) Notwithstanding anything to the contrary in any other provision of the Agreement, the penal interest as stated above shall not be considered for the calculation of overall return to the Debenture Holder(s).
- (f) Delay in execution of Debenture Trust Deed

If not already executed, the Institution/Issuer shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Institution/Issuer will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed.

#### 8.8 Redemption:

The Bank agrees and undertakes to redeem the Debentures along with outstanding interest due and redemption premium, if any at the end of (3) years and (2) months from the Deemed Date of Allotment.

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

Redemption Date	Amount (in Rs.)
02-04-2026	1900,00,00,000/-

#### 8.9 Record Date

Record Date shall mean in relation to any date on which any payments are scheduled to be made by the Institution/Issuer 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.



<sup>37</sup> 2% as per the SEBI [NCS Regulations 2021

*Mohit Kant*





#### 8.10 Put Option:

The put option date is 26<sup>th</sup> March 2024. The notice for exercising Put Option should be submitted 15 days prior to Option Exercise date i.e., on or before 5:00p.m. of 11-03-2024. In case the Put Notification date falls on a holiday, the immediately preceding working day would be considered.

#### 8.11 Premature Redemption:

In case the Bank 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.<sup>38</sup>

#### 8.12 Prepayment/Call option:

The call option date is 26<sup>th</sup> March 2024. The notice for exercising Call Option should be submitted 15 days prior to Option Exercise date i.e., on or before 5:00p.m. of 11-03-2024. In case the Call Notification date falls on a holiday, the immediately preceding working day would be considered.

#### 8.13 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 Institution/Issuer on its bankers.
- (b) Notwithstanding anything to the contrary stated in the Transaction Documents, any payments by the Institution/Issuer 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 Institution/Issuer 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 Bank to the Debenture Holder(s)/Beneficial Owner(s).

#### 8.14 Further Borrowings

The Bank shall with the prior approval of the Trustee be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from such persons/banks/financial institutions or body corporate/any other agency



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If the Bank desires to roll over the said Debentures, then the Bank shall follow all the guidelines of SEBI issued from time to time scrupulously. More so, for such roll-over the existing trust deed executed will be valid and no fresh trust deed needs to be executed.

#### **8.14 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 Bank.

#### **8.15 Repurchase and re-issue of Debentures <sup>39</sup>**

Subject to Applicable Law, the Institution/Issuer 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 Institution/Issuer 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 Institution/Issuer 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.

The Bank 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 Institution/Issuer, be cancelled, held or resold at such price and on such terms and conditions as the Institution/Issuer may deem fit and as permitted by law.

#### **8.16 Appointment of Nominee Director or Observer**

- a) The agrees that Bank subject to the approval of Government of India as required in terms of NHB Act, 1987, Without prejudice to its other rights under the Debenture Documents, the Debenture Trustee shall have a right to appoint a nominee director on the Board of the Institution/Issuer subject to approval of Government of India, in the event of:
- (i) two consecutive defaults in payment of interest to the debenture holders; or
  - (ii) default in creation of security for debentures; or
  - (iii) default in redemption of debentures.
- The Nominee Director shall not be liable to retire by rotation nor be required to hold any qualification shares.
- b) The Bank shall appoint the person nominated by the debenture trustee subject to approval of Government of India, in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee.”
- c) The expenditure incurred in connection with the appointment or directorship (including the cost of attending any meetings) of the Nominee Director shall be borne by the Bank.

<sup>40</sup> SEBI/HO/DDHS/CIR/P/2020/198 dated 05.10.2020 read with Regulation 12A of SEBI (ILDS) Regulations, 2008



*[Handwritten signature]*





- d) 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 Bank, board meetings and meetings of any committees of the Board of the Bank.
- e) 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 Bank.
- f) 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.
- g) The appointment / removal of the Nominee Director/ Observer shall be by a notice in writing by the Debenture Trustee addressed to the Bank and shall (unless otherwise indicated by the Debenture Holders) take effect forthwith upon such a notice being delivered to the Bank.

"The agrees that Bank subject to the approval of Government of India as required in terms of NHB Act, 1987,

Without prejudice to its other rights under the Debenture Documents, the Debenture Trustee shall have a right to appoint a nominee director on the Board of the Institution/Issuer subject to approval of Government of India in the event of:

- (i) two consecutive defaults in payment of interest to the debenture holders; or
- (ii) default in creation of security for debentures; or
- (iii) default in redemption of debentures.

The Nominee Director shall not be liable to retire by rotation nor be required to hold any qualification shares.

NHB has been established under a special statute namely the National Housing Bank Act, 1987 and the constitution/ appointment of Board of Directors of NHB are governed by section 6 of the NHB Act. NHB being a statutory body is governed by the provisions of the NHB Act relating to the Board of Directors and their appointment. Therefore, any appointment of directors on the Board of NHB shall be in accordance with section 6 of the NHB Act and with the approval of the Government of India"

Provided that the Bank undertakes that it shall make all the possible efforts and endeavours to take up the matter with the Government of India and insert enabling provision in its statute/act to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub - regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors



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**THE SECOND SCHEDULE ABOVE REFERRED TO**

**PART – “A”**

**PART – “B”**

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

1. The Beneficial Owner(s) will intimate their relevant DP/client ID and beneficiary demat account number to the Bank. 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 Institution/Issuer with the Depository, under advice to them.
2. The Bank 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 [in case of private placement] and within 30 days [in case of public issuance]<sup>40</sup> 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 Bank 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 Institution/Issuer towards the Beneficial Owner(s). On such payments being made, the Institution/Issuer 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 Bank 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

<sup>40</sup> SEBI/HO/DDHS/CIR/P/2020/198 dated 05.10.2020 read with Regulation 12A of SEBI (ILDS) Regulations, 2008



*Mohit Kan*





Letter]. All requests for transfer should be submitted to the Institution/Issuer/Registrar prior to the Record Date for payment of interest/principal.

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

8. The Bank 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.



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## THE SECOND 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 Bank may, at any time, and the Trustee shall call or cause to be called by the Bank, 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<sup>41</sup>. Any such meeting shall be held at such place in the city where the registered office of the Bank 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 Bank in the authorised manner :

<sup>41</sup> As per the SEBI DT Reg 15(2) and the Companies Act 2013 read with SEBI (Debenture Trustee) Amendment Regulations, 2020



*M. H. Khan*





*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 Bank, 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.
6. (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 Bank:  
  
(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.
7. 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.
8. (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.
9. The Trustee and the Directors of the Bank and their respective Solicitors/Advocates may attend any meeting but shall not be entitled as such to vote thereat.
10. 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.



*Mohit*





11. 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.
12. (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.
13. 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.
14. (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 Institution/Issuer 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.  
(vi) Every Debenture Holder(s)/Beneficial Owner(s) entitled to vote at a meeting of the Debenture Holder(s)/Beneficial Owner(s) of the Institution/Issuer 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 Institution/Issuer, provided not less than three days' notice in writing of the intention so to inspect is given to the Bank.



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- (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 Institution/Issuer at the Registered Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. On a poll taken at any meeting of the Debenture Holder(s)/ 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.
16. 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 scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.
17. (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.
18. 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.
19. 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.
20. In the case of equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote to which he may be entitled to as a Debenture Holder(s)/Beneficial Owner(s).
21. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
22. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
23. The Debenture Holder(s)/Beneficial Owner(s) shall *inter alia* have the following powers exercisable in a meeting in the manner hereinafter specified:-



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- (i) Power to sanction any compromise or arrangement proposed to be made between the Institution/Issuer 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, Bank 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 Bank whether by sale or transfer of assets under any power in the Institution/Issuer'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.
  - (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.
24. 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".
25. 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.
26. Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Trustee at the expenses of the Bank 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.
27. 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 way of written instructions/ letter or letters signed by or on behalf of the holder or holder(s)/owner(s) instead of by voting and passing resolutions at meetings provided that:

- (a) in respect of matters, which at a meeting would have required a Special Resolution passed



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by the Debenture Holders, the Debenture Trustee must be so instructed in writing by the Debenture Holders holding at least 75% (seventy five percent) of the outstanding aggregate nominal value of the Debentures; and

- (b) in respect of matters, which at a meeting would have required a Majority Debenture holders resolution, the Debenture Trustee must be so instructed by Debenture Holders holding more than 50% (fifty percent) of the outstanding aggregate nominal value of the Debentures.
- (c) in respect of matters, which at a meeting would have required a Special Majority consent, the Debenture Trustee must be so instructed by 75% (seventy five percent) of the Debenture Holders (by value) and 60% (sixty percent) of the Debenture Holders (by number).

28. 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 /legal proceeding, 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 THIRD SCHEDULE ABOVE REFERRED TO**  
**PART A**

**EXECUTED PRE-AUTHORISATION LETTER**

**THE FIFTH SCHEDULE ABOVE REFERRED TO**  
**PART B**  
**ACCOUNT BANK CONSENT LETTER**



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## THE SIXTH SCHEDULE ABOVE REFERRED TO

### INFORMATION COVENANTS

1. The Bank shall at the end of every calendar quarter within 45 days of the respective quarter or within 7 days of the relevant Board meeting<sup>42</sup> whichever is earlier, submit to the Debenture Trustee a report confirming /certificate confirming the following<sup>43</sup>:
  - 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 Institution/Issuer in the quarter and those remaining unresolved by the Institution/Issuer and the reasons for the same; and
  - e) Such other information and /or documents as may be required by the Debenture Trustee from time to time

On quarterly basis, the Institution/Issuer shall furnish the compliance status with respect to financial covenants of the listed debt securities certified by statutory auditor of listed entity to Debenture Trustee as stipulated in the SEBI circular dated November 12, 2020 bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 and SEBI circular no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/ P/2022/67 dated May 19, 2022, (including any amendments or restatements thereof).

2. The Bank 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 Bank with respect to the use of the proceeds raised through the issue of Debentures<sup>44</sup>. 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 Bank confirming credit of dematerialized Debentures into the depository accounts of the Debenture Holder(s) within the timelines prescribed under the Applicable Laws<sup>45</sup>;

<sup>42</sup> As per SEBI (DT) Regulations and ILDS Regulations

<sup>43</sup> SEBI (DT) Regulations read with Companies Act 2013

<sup>44</sup> Required as per the SEBI DT Reg 15(1a)(c), SEBI (LODR) Regulations 2015 and Companies Act

<sup>45</sup> Required as per the Regulation 15(q)(ii) of SEBI (DT) Regulations, 1993





- c) 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 breach of any covenants<sup>46</sup>, terms or conditions by the Institution/Issuer in relation to the Debentures under any Transaction Documents;
  - d) 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<sup>47</sup>;
  - e) 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<sup>48</sup>:
    - (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 Bank shall promptly inform the Debenture Trustee of any disclosures made to the stock exchange in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which may have a bearing on the Debenture issue<sup>49</sup>;
  4. The Bank shall promptly inform the stock exchange(s) and the Debenture Trustee all information having bearing on the performance/operation of the Bank, 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<sup>50</sup>.
  5. The Bank 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<sup>51</sup>.

<sup>46</sup> Regulation 56 of SEBI (LODR) Regulations, 2015

<sup>47</sup> Regulation 56 of SEBI (LODR) Regulations, 2015

<sup>48</sup> Regulation 29 of SEBI (LODR) Regulations, 2015. Applicable to Companies which has listed its specified securities i.e equity shares and convertible equity shares but as it also pertains to information about debentures, should be retained

<sup>49</sup> As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Applicable to Companies which has listed its specified securities i.e equity shares and convertible equity shares

<sup>50</sup> As per SEBI (LODR) Regulations, 2015

<sup>51</sup> Regulation 50 of SEBI (LODR) Regulations, 2015



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6. The Bank 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 Institution/Issuer shall also confirm whether they have informed the status of payment or otherwise to the stock exchange(s) and Depository<sup>52</sup>.
7. Promptly within 2 (two) days of the interest or principal or both becoming due, the Bank shall submit a certificate to the stock exchange(s) alongwith the Debenture Trustee, that it has made timely payment of interests or principal obligations or both in respect of the Debentures and also upload the information on its website.
8. If default in payment of Debentures is continuing, the Bank shall inform the Debenture Trustee the updated status of payment latest by the 2<sup>nd</sup> working day of April of each financial year, alongwith the intimation on the updated status of payment to the stock exchange(s) and the Depository. Further, the Institution/Issuer shall also intimate the development, if any, that impacts the status of default of the Debentures (including restructuring, insolvency proceedings, repayment, etc.) to the stock exchange(s), Depository and Debenture Trustee within 1 (one) working day of such development. The aforementioned intimations shall be submitted until the Obligations are fully discharged or satisfied. The Institution/Issuer shall provide an undertaking to the Stock Exchange(s) on annual basis that all documents and intimations required to be submitted to Debenture Trustees in terms of Trust Deed and SEBI (Issue and listing of Debt securities) Regulations have been complied with and furnish a copy of such undertaking to the Debenture Trustee for records.
9. The Bank shall promptly inform the Debenture Trustee the following details (if any):
  - a) corporate debt restructuring,
  - b) fraud/defaults by promoter or key managerial personnel or by Bank or arrest of key managerial personnel or promoter; and / or
  - c) reference to National Company Law Tribunal or insolvency petitions (if any) filed by any creditor of the Institution/Issuer.
10. As per Regulation 52 (1) of the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2011 (as amended from time to time), the Institution/Issuer shall prepare and submit un-audited or audited quarterly and year to date standalone financial results on a quarterly basis in the format as specified by the Board within forty- five days from the end of the quarter, other than last quarter, to the recognised stock exchange(s).
11. The Bank shall submit to the stock exchange for dissemination, along with the quarterly yearly/annual financial results<sup>53</sup>:
  - a) Debt-equity ratio;
  - b) Debt service coverage ratio<sup>54</sup>;
  - c) Interest service coverage ratio<sup>55</sup>;

<sup>52</sup>SEBI Circular no. SEBI/HO/DDHS/CIR/P/103/2020 dt. June 23, 2020.

<sup>53</sup> As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, however this requirement is not applicable to unsecured bonds issued by financial entities for meeting their capital requirements

<sup>54</sup> No requirement of disclosure for Banks and RBI registered NBFCs

<sup>55</sup> No requirement of disclosure for Banks and RBI registered NBFCs



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- d) Net worth;
  - e) Net profit after tax;
  - f) Earnings per share;
  - g) A statement indicating material deviations<sup>56</sup>, if any in utilisation of the proceeds of the Debentures;
  - 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.”
12. As per Regulation 52 (7) of the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021(as amended from time to time), the Institution/Issuer shall within forty-five days from the end of every quarter submit to the stock exchange, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved.
13. As per Regulation 52 (7A) of the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021(as amended from time to time), in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by the Board.
14. As per Regulation 53 (2) of the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 (as amended from time to time), the Institution/Issuer shall submit to the stock exchange and the Debenture Trustee and publish on its website the following:
- a) a copy of the annual report sent to the shareholders along with the notice of the annual general meeting, not later than the date of commencement of dispatch to its shareholders; and
  - b) in the event of any changes to the annual report, the revised copy along with the details and explanation for the changes, not later than 48 hours after the annual general meeting.
15. As per Regulation 54 (3) of the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 (as amended from time to time)following is to be submitted by the Institution/Issuer to the Stock Exchanges:
- (a) The Bank shall disclose the asset cover available in case of non-convertible debt securities along with its financial results in the format as specified by the Board.
16. As per Regulation 56 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 (as amended from time to time) the Bank shall also disclose to the Debenture Trustee at the same time as it has intimated to the stock exchange, all material events and/or information as disclosed under regulation 51 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in so far as it relates to the interest, principal, issue and terms of nonconvertible debt securities, rating, creation of charge on the assets, notices, resolutions and meetings of holders of non-convertible debt securities/Debentures.

<sup>56</sup> In the format for deviation and variation as per ‘Annexure A’ to the SEBI circular (SEBI/HO/DDHS/08/2020 dated January 17, 2020.)



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17. The Bank undertakes to comply with the SEBI (Listing Obligations and Disclosure Requirements), 2015, SEBI (Issue and Listing of Non-Convertible securities ) Regulation 2013, Companies Act, 2013 the Act and other Applicable Laws and regulations on a continuous basis as amended from time to time.
18. The Bank shall notify the Trustee of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence<sup>57</sup>.
19. The Bank shall furnish to the Trustee details of all grievances received from the Debenture Holder(s)/ Beneficial Owner(s) and the steps taken by the Institution/Issuer to redress the same. At the request of any Debenture Holder(s)/ Beneficial Owner(s), the Trustee shall, by notice to the Institution/Issuer call upon the Institution/Issuer 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).

To provide relevant documents/ information, as applicable, to enable the Debenture Trustee(s) to conduct continuous and periodic due diligence, the Institution/Issuer shall submit the reports/ certification within the timelines mentioned in the SEBI circular dated November 12, 2020 bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 and SEBI circular no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/ P/2022/67 dated May 19, 2022,

20. The Bank 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.
21. The Bank shall:
  - a. maintain a Register of debenture holders including addresses of the debenture holders, record of subsequent transfers and changes of ownership;
  - b. keep proper books of accounts open for inspection by debenture trustee;(If required)
  - c. furnish information required by the debenture trustee for the effective discharge of its duties and obligations, including copies of reports, balance sheets , profit and loss account etc.;
  - d. satisfactory provision for the payment of the installments of principal and interest due on the debentures;
  - e. inform the debenture trustee about any change in nature and conduct of business by the Institution/Issuer before such change;
22. The Bank shall inform the Debenture Trustee, of any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Instution/Issuer<sup>58</sup>.
23. The Bank 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.
24. The Bank 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 Instution/Issuer'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

<sup>57</sup> Required as per SEBI regulation and Companies Act 2013

<sup>58</sup> Companies Act 2013



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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.

25. The Bank shall supply to the Trustee (sufficient copies for all Debenture Holder(s) if the Trustee so requests) quarterly financial results within forty five (45) days of the end of each quarter<sup>59</sup>, half yearly financial results within forty five (45) days from the end of the each half year<sup>60</sup>, 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<sup>61</sup>.
26. In case of initiation of forensic audit (by whatever name called) in respect of the Institution/Issuer, the Institution/Issuer shall provide following information and make requisite disclosures to the stock exchanges:
  - (i) the fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; and
  - (ii) final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Bank along with comments of the management, if any.
27. The Bank 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.
28. The Bank shall furnish the following to the Debenture Trustee:
  - (a) its duly audited annual accounts, within the timelines specified in the SEBI (NCS) Regulations, 2021 and SEBI Operational Circular and other applicable laws
  - (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 Bank 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;

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 and SEBI circular no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022,



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29. The Bank shall:

- a) supply to the Trustee (with sufficient copies for all Debenture Holder(s) if the Trustee so requests) all documents despatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are despatched;
- b) promptly upon becoming aware, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), the details of any event which may have a Material Adverse Effect;
- c) promptly upon becoming aware, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), the details of the existence of any event or condition or claim which permits, or with the passage of time, will permit, the Institution/Issuer to abandon the business;
- d) at the end of every financial year, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), a certificate from a statutory auditor confirming the due maintenance of a Debenture Redemption Reserve as per the provisions of Applicable Law;
- e) promptly, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), notice of any change in its authorised signatories (in connection with the Transaction Documents), signed by one of its directors or its Institution/Issuer secretary, whose specimen signature has previously been provided to the Trustee, accompanied (where relevant) by a specimen signature of each new signatory;



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IN WITNESS WHEREOF the National Housing Bank and the Trustee has caused these presents to be executed by its authorised officer the day and year first hereinabove written in the manner hereinafter appearing.

SIGNED AND DELIVERED BY the within named **Bank viz. National Housing Bank** by the hands of its authorised official Dr. Mohit Kaul, Deputy General Manager.

Witnessed by:

1. Sh. Raj Kumar Negi, Manager, National Housing Bank
2. Ms. Himanshi Dahinwal, Assistant Manager, National Housing Bank

SIGNED and DELIVERED by IDBI TRUSTEESHIP SERVICES LIMITED viz. **IDBI Trusteeship Services Limited** by the hand of its duly authorised official: **Ramesh Sachdeva**

Witnessed by:

1. \_\_\_\_\_
2. \_\_\_\_\_

For IDBI TRUSTEESHIP SERVICES LTD.

AUTHORISED SIGNATORY

*Mohit Kaul*

डॉ. मोहित कौल / Dr. Mohit Kaul  
उप महाप्रबंधक / Deputy General Manager  
राष्ट्रीय आवास बैंक / National Housing Bank  
कोर 5A, इंडिया हैबिटेट सेंटर  
Core 5A, India Habitat Centre  
लोधी रोड, नई दिल्ली-110003  
Lodhi Road, New Delhi-110003

*Raj Kumar Negi*  
*Himanshi Dahinwal*