सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL74201914576113U
Certificate Issued Date	:	16-Aug-2022 04:48 PM
Account Reference	:	SHCIL (FI)/ dl-shcil/ LAJPAT NAGAR/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL-SHCIL29859243521520U
Purchased by	:	UGRO CAPITAL
Description of Document	:	Article 40 Mortgage
Property Description	:	DEED OF HYPOTHECATION
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	UGRO CAPITAL LIMITED
Second Party	:	IDBI TRUSTEESHIP SERVICES LIMITED
Stamp Duty Paid By	:	UGRO CAPITAL LIMITED
Stamp Duty Amount(Rs.)	:	2,00,000 (Two Lakh only)

Please write or type below this line

This stamp paper forms an integral part of the Debenture Trust Deed of hypothecation Should deed executed by UGRO Capital Ltd in favour of IDBI Trusteeship Services Limited on Dated 23rd September, 2022

For UGRO CAPITAL LIMITED

Authorised Signatory

IN 0002627021

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

UNATTESTED DEED OF HYPOTHECATION

THIS UNATTESTED DEED OF HYPOTHECATION ("**Deed**") executed at Delhi on this 23rd day of September, 2022:

BY

UGRO Capital Limited, a company incorporated under the Companies Act, 1956 (1 of 1956) with its Corporate Identity Number L67120MH1993PLC070739 and having its registered office at 4th Floor, Tower 3, Equinox Business Park, Off BKC, LBS Road, Kurla (West), Mumbai - 400 070, Maharashtra, India (hereinafter called the "Company", which expression shall unless excluded by or repugnant to the context or meaning thereof include its successors and assigns), of the **ONE PART**;

IN FAVOUR OF

IDBI Trusteeship Services Limited, a company incorporated under the provisions of Companies Act, 1956 with its Corporate Identity Number U65991MH2001GOI131154 and having its registered office Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001, India (hereinafter called the "**Trustee**"/ "**Debenture Trustee**", which expression shall include its successors and assigns and the Trustee for the time being wherever the context or meaning shall so require or permit), of the **OTHER PART**.

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

WHEREAS:

A) The Company is registered with Reserve Bank of India as a systemically important non-deposit accepting Non-Banking Financial Company ("**NBFC**") as defined under Section 45-IA of the Reserve Bank of India Act, 1934 and is engaged in the business of lending with technology focused small business lending platform.

B) For the purpose of onward lending and financing business of the Company in the ordinary course of business (including for repayment/refinance of existing debts of the Company) and for general business purposes of the Company, the Company has issued Prospectus *(as defined below)* for the purpose of issue of rated, secured, senior, listed, transferable, redeemable non-convertible debentures each having a face value of INR 1,000 (Indian Rupees One Thousand only) of the aggregate nominal value of INR 50,00,00,000 (Indian Rupees Fifty Crores only) with an option to retain over-subscription upto INR 50,00,00,000 (Indian Rupees Fifty Crores Only), aggregating up to INR 1,00,00,00,00,000 (Indian Rupees One Hundred Crores only) (hereinafter referred to as the "**Debentures**" or "**NCDs**"). The said issue was opened on September 05, 2022 and will be closed on September 22, 2022. In response to the said Prospectus, the Company will allot NCDs at issue price of INR 1,000 (Rupees One Thousand only) each on public issue basis, with Deemed Date of Allotment as September 28, 2022. By virtue of Memorandum of Association of the Company, the Company is authorized to issue NCDs and to secure them by hypothecation on the Company's movable

properties on such terms as the Investment and Borrowing Committee may think fit and proper and in the interest of the Company.

C) The Special Resolution has been passed, by the Shareholders, at their Annual General Meeting held on August 12, 2022 under Section 180(1)(c) of the Companies Act, 2013, authorizing the Board of Directors of the Company to borrow upto INR 60,00,00,00,000 (Indian Rupees Six Thousand Crores only) over and above the aggregate of paid-up capital of the Company and free reserves.

D) The Special Resolution has been passed, by the Shareholders at their Annual General Meeting held on August 12, 2022 under Section 180(1)(a) of the Companies Act, 2013,authorizing the Board of Directors of the Company, inter-alia, for mortgaging, hypothecating, all or any of the company's assets and properties whether immovable or movable, in favour of the banks / financial institutions /other lenders / fixed deposit trustee/ debenture trustee / security trustee as may be agreed by the Board of Directors of the Company for the purpose of securing the repayment of any loans / financial assistance, debentures or bonds or other instruments issued to the public and/or on private placement basis and/or in any other manner, subject to maximum of upto INR 70,00,00,00,000 (Indian Rupees Seven Thousand Crores only).

E) The shareholders of the Company, vide special resolution passed at their Annual General Meeting held on August 12, 2022, pursuant to provisions of Section 42 of the Companies Act, 2013, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable provisions of Companies Act 2013, has authorized the Board of Directors of the Company to make offer(s) or invitation(s) to subscribe to secured/unsecured, redeemable, non-convertible, debentures in one or more series during the period from the conclusion of said Annual General Meeting till the conclusion of next Annual General Meeting of the Company through private placement in conformity with rules, regulations and enactments as applicable from time to time, upto total amount not exceeding INR 30,00,00,00,000 (Indian Rupees Three Thousand Crores only).

F) The Investment and Borrowing Committee of the Company in their meeting held on July 27, 2022 and, thereafter, on August 12, 2022, has decided and approved, inter alia, to issue and allot rated, secured, senior, listed, transferable, redeemable non-Convertible debentures each having a face value of INR 1000 (Indian Rupees One Thousand only) with an option to retain over-subscription upto INR 50,00,00,000 (Indian Rupees Fifty Crores only), aggregating up to INR 1,00,00,00,000 (Indian Rupees One Hundred Crores only) (hereinafter referred to as the "**Debentures**" or "**NCDs**") and approved the draft Prospectus, which debentures may be in the nature of secured, as and by way of a public issue in suitable series/tranches and on such terms and conditions as may be determined by the Board of Directors (or the relevant committee of the Board of Directors) from time to time, and the resolution of the Investment and Borrowing Committee of the Company dated August 26, 2022 approved the Prospectus (as defined below) ("**Issue**").

G) The Trustee hereinabove mentioned, has been registered as Debenture Trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993

("**SEBI Debenture Trustees Regulations**") having SEBI Registration No. INDD00000460 and pursuant to the consent letter dated August 10, 2022 has agreed and consented to act as sole Trustee for the benefit of the holders of the Debentures as per the terms and conditions contained in the Debenture Trust Deed dated September 23, 2022 ("**Debenture Trust Deed**") executed between the Company and the Trustee.

H) One of the terms of the allotment of the said Debentures, is that the principal amount together with the cumulative interest, remuneration of the Trustees and all other costs, charges and expenses and other moneys payable by the Company in respect of the said Debentures will be secured by way of hypothecation over the Hypothecated Assets *(as defined below)*. Provided this shall not include any investment made by the Company in unencumbered approved securities invested pursuant to Section 45-IB of the Reserve Bank of India Act, 1934) in cash or in kind with security cover of 1.20 times, more particularly described in Schedule I hereunder written in favor of Trustee acting on behalf of and for the benefit of the Debenture Holders.

I) In consideration of the Debenture Holders subscribing to the Debentures, the Company has agreed to create a charge over the Hypothecated Assets, as defined below, in favour of the Debenture Trustee.

J) The Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) has now called upon the Company and has requested the Company to execute these presents and create a charge by way of hypothecation in favour of the Debenture Trustee, over the Hypothecated Assets which the Company has agreed to do in the manner hereinafter appearing.

K) This Deed and the Debenture Trust Deed will be read in conjunction with and as part of the same document in relation to such issuance of Debentures.

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

1. DEFINITIONS:

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

(a) "**Act**" shall mean the Companies Act, 2013 and, wherever applicable, the rules framed thereunder and any statutory modification or re-enactment thereof in force from time to time;

(b) "**Authorised Officer**" shall be a person authorized by the resolution of the Board of Directors or any Committee thereof to provide a report as set out in Clause 8 (j) hereof;

(c) "**Date of Allotment**" means the deemed date of allotment mentioned in the Prospectus.

(d) "**Debentures/NCDs**" shall have the meaning ascribed to it in Recital B;

(e) "**Debenture Holder(s)**"shall mean the Applicants and the holders of Debentures, from time to time, whose names are entered in the 'Register of Debenture Holders' maintained by the Company, as holders of Debentures and shall include the names of beneficial owner(s) of the Debentures in dematerialized form as per the list of beneficial owners prepared and maintained by National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**"), as per the provisions of the Depositories Act, 1996;

(f) "**Debenture Trust Deed**" shall mean the deed dated September 23, 2022 executed between the Company and the Trustee;

(g) "**Event of Default**" means an Event of Default as set out in the Transaction Documents;

(h) "**Hypothecated Assets**" shall mean all book debts and receivables of the Company more particularly described in Schedule I hereunder hypothecated and charged by way of security pursuant to Clause 3 (Security) of this Deed;

(i) "**Prospectus**" shall mean the Prospectus dated August 26, 2022 and the addendum to the Prospectus dated August 26, 2022 filed with the Registrar of Companies, Mumbai, Maharashtra, SEBI and the Stock Exchanges in accordance with the SEBI NCS Regulations and the Act containing, inter alia the terms and conditions of the Debentures;

(j) "**Redemption Amount**" shall mean the amount to be paid by the Company to the Debenture Holder(s) at the time of redemption of the Debentures (including any amount payable on account of any buyback of any series) to be calculated in the manner set out in the Prospectus and shall include principal amounts, interest and other amounts, if any, in respect of the Debentures as per the Prospectus;

(k) "**SEBI**" shall mean the Securities and Exchange Board of India;

(l) "**SEBI Debenture Trustees Regulations**" shall mean the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

(m) "**SEBI NCS Regulations**" shall mean the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended;

(n) "**Stock Exchanges**" shall collectively mean BSE Limited and NSE;

(o) **"Transaction Documents"** shall mean the documents executed in relation to the issue of the Debentures and shall include but not be limited to the Prospectus read with any notice, corrigenda, addenda thereto, this Deed, the Debenture Trustee Agreement, Debenture Trust Deed and any other document, including a document defined as "Transaction Document" under the Prospectus, that may be designated by the Debenture Trustee as a Transaction Document; ;

Capitalized terms not defined herein and defined in the Transaction Documents shall have the meaning as ascribed in the Transaction Documents.

2. FORM OF THE DEBENTURES

The Debentures shall be in dematerialised form and the same are issued through NSDL/ CDSL, as the case may be, and the Debentures shall always be subject to provisions of the Act, and the applicable provisions of the Securities and Exchange Board of India Act, 1992 and the rules and regulations, guidelines and circulars issued there under, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, and/ or the rules, regulations, guidelines and circulars issued there under, the Memorandum and Articles of Association, and subject to such consents, permissions, approvals and sanctions, if any, as may be necessary and subject to such conditions, if any, as may be laid down by any other authority and the Prospectus and the Debenture Trust Deed.

The covenants and conditions shall be binding on the Company. The Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the said covenants and conditions as if the same were set out and contained in these presents, which shall be read and construed as one document.

3. SECURITY (GRANT, CONVEY AND TRANSFER)

For the consideration aforesaid and as security for the redemption and payment of the Redemption Amount of the Debentures, payments of all interest, remuneration of the Trustee and all fees, costs, charges, expenses and other monies hereby secured or intended to be hereby secured, the Company do hereby create a first ranking exclusive and continuing charge by way of hypothecation on the Hypothecated Assets of the Company in favour of the Debenture Trustee, acting on trust and on behalf of the Debenture Holders.

The Company shall during the currency of the Debentures maintain a minimum-security cover of 120% of the total amount outstanding in respect of NCDs issued under Series herein.

4. COVENANT FOR REDEMPTION

The Trustee (acting upon the instructions from Debenture Holders) shall, upon proof being given, to its reasonable satisfaction, that the Redemption Amount in respect of all the Debentures, to be redeemed in accordance with the conditions and covenants, together with all interest, liquidated damages and all other monies, hereby secured or intended to be secured, have been paid or satisfied in accordance with the tenor(s) thereof and upon payment of all costs, charges and expenses incurred by the Trustee or by any receiver in relation to these presents (including the remuneration of the Trustee and of any receiver and all interest and liquidated damages in respect thereof) and upon observance and performance of the terms and conditions and covenants herein contained, at any time thereafter, at the request and cost of the Company, re-convey, re-assign, re-assure and re-transfer to the Company or as the Company may direct or to such other person entitled thereto, the Hypothecated Assets, freed and discharged from the trusts and security created through this Deed.

5. TERMS OF SECURITY

(a) **Continuing Security**

The security, created hereby, shall become effective from the date of execution of this Deed. The security created by or pursuant to this Deed is a continuing security and shall remain in full force and effect until the repayment in full of all amounts due in respect of the Debentures.

(b) **Other Security**

This security is in addition and without prejudice to any other security, indemnity or other right or remedy which any Debenture Holders or the Trustee may now or hereafter hold or have in connection with the Debentures or part thereof, and shall neither be merged in, or in any way exclude or prejudice, or be affected by any other security, right of recourse or other right whatsoever (or the invalidity thereof) which the Debenture Holders or Trustee may now or at any time hereafter hold or have (or would apart from this security hold or have) as regards the Company or any other person in respect of the Debentures. This security may be enforced against the Company without first having recourse to any other rights of the Debenture Holders or the Trustee, subject to the Company's right to create additional security in case of reduction in the security cover.

(c) **Cumulative Powers**

The powers which this Deed confer on the Trustee and any receiver appointed hereunder are cumulative and without prejudice to their respective general powers under Applicable Law and may be exercised as often as the Trustee or the receiver may deem fit and appropriate and the Trustee may, in connection with the exercise of its powers, join or concur with any person in any transaction, scheme or arrangement whatsoever and the Company acknowledges that the respective powers of the Trustee or the receiver appointed hereunder shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing.

The receiver shall be deemed to be the agent of the Company and the Company shall be solely responsible for the actions of the receiver.

6. EVENTS OF DEFAULT

6.1. If one or more of the events as classified as Event of Default in the Transaction Documents and in Prospectus takes place, the Debenture Trustee may, in its discretion, and shall, upon a request in writing of the Debenture Holders representing not less than three-fourths in value of the nominal amount of the Debentures for the time being outstanding or by a special resolution duly passed at the meeting of the Debenture Holders convened in accordance with the applicable provisions, by a notice in writing to the Company declare the Redemption Amount of the Debentures, all interest, accrued interest and all other monies to be due and payable forthwith and the security created hereunder shall become enforceable.

6.2. If any Event of Default or any event which, after the notice or lapse of time, or both, would constitute an event of default has happened, the Company shall, forthwith give notice thereof to the Debenture Holders/ Trustee in writing, specifying the nature of such Event of Default or of such event.

6.3. Upon the occurrence of an Event of Default, the Debenture Trustee shall enforce the charge and exercise the power of sale or any other right over the Hypothecated Assets conferred on the Debenture Trustee in respect of all the amounts due and payable by the Company under these presents.

6.4. All expenses incurred by the Debenture Trustee after an Event of Default has occurred in connection with preservation of the Company's assets (whether then or thereafter existing) and collection of amounts due in respect of the Debentures or under these presents, shall be payable by the Company.

6.5. Upon proof being given to the reasonable satisfaction of the Trustee that all the Debentures entitled to the benefit of the trusts hereof together with interest, and all other monies payable there under have been paid off or satisfied in accordance with the tenor(s) thereof and upon payment of all costs, charges and expenses incurred by the Trustee or by any receiver in relation to these presents (including the remuneration of the Trustee and or any receiver and all interest thereon) and upon observance and performance of the terms and conditions and covenants herein contained the Trustee shall, at the request and cost of the Company, release, re-assign or recovery to the Company or as the Company may direct or to such other person entitled thereto, the Hypothecated Assets or such part thereof as may remain, subject to the security hereby created freed and discharged from the trusts and security hereby created.

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

7. GENERAL COVENANTS

Notwithstanding anything contained in the Transaction Documents, the Company hereby covenants with the Trustee that the Company will at all times during the continuance of this security (except as may otherwise be previously agreed in writing by the Trustee):

(a) Execute all such deeds, documents and assurances and do all such acts and things as the Trustee may reasonably require for exercising the rights, powers and authorities hereby conferred on the Trustee or for effectuating and completing the security hereby created and shall, from time to time and at all times after the security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurances, acts and things as the Trustee

may require for facilitating realisation of the Hypothecated Assets and in particular the Company shall execute all transfers, conveyances, assignments and assurances of the Hypothecated Assets whether to the Trustee or to its nominees and shall give all notices, orders and directions which the Trustee may think expedient and further shall, for such purposes or any of them make or consent to the making of any application in the name of the Company to any Governmental Authority as the Trustee may require for the sale and transfer of the Hypothecated Assets or any part thereof.

(b) Carry out and conduct its business with due diligence and efficiency and in accordance with sound engineering, technical, managerial and financial standards and business practices with qualified and experienced management and personnel.

(c) The Company shall not receive, compound or realise any of the Hypothecated Assets nor do anything whereby the recovery of the same may be impeded without the prior written consent of the Debenture Trustee and shall keep proper books of account of its business. Subject to the above, the Company shall be at liberty in the ordinary course of business to recover all or any of the Hypothecated Assets but the Company shall upon receipt of the proceeds of every such realization, pay the same forthwith to the Debenture Trustee to be applied in reduction of the Company's indebtedness to the Debenture Holders. The Company shall not recover any of the Hypothecated Assets upon being prohibited in writing by the Debenture Trustee from doing so.

(d) Ensure that during the currency of the Debentures, the Company shall maintain a 120% (one hundred twenty percent) security cover at all times and also maintain the Debt Equity Ratio as per the Applicable Laws.

(e) Submit to the Trustee a periodical review certificate from the credit rating agencies with respect to the Debentures.

(f) Give to the Trustee or to such person or persons as aforesaid such information as they or he or any of them shall require at the time of the issue thereof to the shareholders of the Company furnish to the Trustee one copy of Annual Report and results of the Company on quarterly and annual basis.

(g) The Company shall furnish an annual report to the Debenture Trustee containing the following particulars:

i. Updated list of the names and addresses of the Debenture Holder(s);

ii. Details of the Payments to be made, but unpaid and reasons thereof;

iii. The number and nature of grievances received from the Debenture Holder(s) and resolved by the Company and those grievances not yet solved to the satisfaction of the Debenture Holder(s) and reasons for the same;

iv. A statement that those assets of the Company which are available by way of security in terms of the Transaction Documents, as amended from time to time, is sufficient to discharge the claims of the Debenture Holders as and when they become due; and

v. Such other information as may be required by the Debenture Trustee under or pursuant to Applicable Law.

(h) The Company shall submit, a copy of its duly audited accounts, within 60 (sixty) days from the close of the financial year, and un-audited or audited quarterly and year to date standalone financial results on a quarterly basis and year to date standalone financial results on a quarterly basis in the format as specified by SEBI within 45 (forty-five) days from the end of the quarter, other than last quarter, on the same day as they are submitted to Stock Exchanges.

(i) As per Regulation 53 of the LODR Regulations, the Company shall submit to the Debenture Trustee and publish on its website the following:

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 (forty-eight) hours after the annual general meeting.

(j) In terms of the provisions of Regulation 56 of the LODR Regulations, Company shall promptly submit to the Debenture Trustee the following:-

(a) a copy of the annual report at the same time as it is issued along with a copy of certificate from the listed entity's statutory auditors in respect of utilization of funds during the implementation period of the project for which the funds have been raised;

Provided that in the case of debentures issued for financing working capital or general corporate purposes or for capital raising purposes the copy of the auditor's certificate may be submitted at the end of each financial year till the funds have been fully utilised or the purpose for which these funds were intended has been achieved.

(b) a copy of all notices, resolutions and circulars relating to –

1. new issue of non-convertible debt securities at the same time as they are sent to shareholders / holders of non-convertible debt securities;
2. the meetings of holders of non-convertible debt securities at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings;
3. a half yearly certificate regarding maintenance of 100% (hundred percent) or higher security cover as per the terms of the placement memorandum and/or this Deed, including compliance with all the covenants, in respect of Listed non- convertible debt securities, by the statutory auditor, along with the financial results, in the manner and format specified by the Board;
4. Intimations regarding;
   i) any revision in the rating;
   ii) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities;
   iii) all covenants of the Issue (including side letters, accelerated

payment clause, etc.).

(k) The Company shall forward to Debenture Trustee any information sought and provide access to relevant books of accounts as required by it.

(l) The Company may, subject to the consent of the Debenture Trustee' send the information stipulated in sub-regulation (1), in electronic form/fax.

(m) The Company 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 LODR Regulations in so far as it relates to the interest, principal, issue and terms of non-convertible debt securities, rating, creation of charge on the assets, notices, resolutions and meetings of holders of non-convertible debt securities.

(n) Comply with all regulatory and other requirements as specified by the relevant Governmental Authorities and Stock Exchanges from time to time and ensure compliance with Applicable Laws.

(o) The Company hereby confirms that it has not entered into any agreements and/ or arrangements with any person in respect of the Hypothecated Assets except as disclosed in the Transaction Documents.

(p) The Security created hereunder in favour of the Debenture Trustee shall become enforceable by the Debenture Trustee upon the occurrence of any Event of Default.

(q) The Company shall, at all times during the continuance of these presents, duly and punctually pay any taxes which become lawfully payable by the Company and shall prevent any part of the said Hypothecated Assets from becoming charged or encumbered with the payment of any taxes.

(r) The Company will also additionally comply with all the covenants set out under the Transaction Documents.

(s) Upon occurrence of any Event of Default, the Debenture Trustee or its nominees shall, without prejudice to any other right that the Debenture Trustee may have under any of the Transaction Document or otherwise, be entitled to take such action as provided under the Transaction Documents, including but not limited to requiring the Company to assign the Hypothecated Assets in favour of the Debenture Trustee by execution of necessary documents including deed of assignment, and/ or sell by public auction or by private contract, dispatch or consign for realisation or otherwise dispose of or deal with all or any part of the said Hypothecated Assets and to enforce, realise, settle, compromise and deal with any rights or claims relating thereto without being bound to exercise any of these powers or be liable for any losses in the exercise or non-exercise thereof and without prejudice to the Debenture Trustee's rights and remedies of suit or otherwise. Notwithstanding any pending suit or other proceeding, the Company undertakes to give immediate possession to the Debenture Trustee on demand of the Hypothecated Assets and Company hereby agrees to accept the Debenture Trustee's account of realizations as sufficient proof of amounts realized and to transfer and to deliver to the Debenture Trustee all relative bills, contracts, securities and documents and the Company hereby agrees to accept the Debenture Trustee account of

outstanding and realisation as sufficient proof of amounts realised and relative expenses and to pay on demand by the Debenture Trustee any shortfall or deficiency thereby shown. Provided however that the Debenture Trustee shall not be in any way liable or responsible for any loss, damage or depreciation that the said Hypothecated Assets may suffer or sustain on any account whatsoever whilst the same are in possession of the Debenture Trustee or by reason of exercise or non-exercise of rights and remedies available to the Debenture Trustee as aforesaid and that all such loss, damage or depreciation shall be wholly debited to the account of the Company however the same may have been caused.

(t) The Debenture Trustee at any time after the security hereby created has become enforceable may have a receiver or receivers appointed of the said Hypothecated Assets or any part thereof. The following provisions shall apply to such receiver:

(1) Unless otherwise directed by the Debenture Trustee, such receiver shall have and exercise all powers and authorities vested in the Debenture Trustee;

(2) Such receiver shall, in the exercise of his powers, authorities and discretions, conform to the regulations and directions from time to time made and given by the Debenture Trustee;

(3) The Debenture Trustee may, from time to time, fix the remuneration of such receiver and shall direct payment thereof out of the said Hypothecated Assets, but the Company alone shall be liable for the payment of such remuneration;

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

(5) The Debenture Trustee may pay over to such receiver any monies constituting part of the securities to the intent that the same may be applied for the purpose hereof by such receiver and the Debenture Trustee may, from time to time, determine what funds the receiver shall be at liberty to keep in hand with a view to the performance of his duties as such receiver; and

(6) Every such receiver shall be the agent of the Company for all purposes and the Company alone shall be responsible for his acts and defaults, loss and liable on any contract or engagement made or entered into by him and for his remuneration and the Debenture Trustee shall not incur any liability or responsibility therefor by reason of their making or consenting to his appointment as such receiver.

(u) The Company shall not sell, assign or transfer or encumber the Hypothecated Assets or any part thereof without the prior written consent of the Debenture Trustee, except if the same is required in the ordinary course of business.

(v) The Company to furnish the following information to the Debenture Trustee: (i) on a half-yearly basis, a certificate from the Managing Director/Chief Financial Officer/Company Secretary of the Company, certifying the amount of security; and (ii) on a yearly basis, a certificate from the statutory auditor of the Company giving the amount of security.

(w) The Company to, if so required under Applicable Law and/or any direction or request by any authority, carry out subsequent valuation of the Hypothecated Assets, at the request of the Debenture Trustee, at the Company's cost.

(x) The Company to furnish the following:

(i) on a quarterly basis:

A. such other information details / reports required by the Debenture Trustee, as per SEBI rules and regulations.

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

Reports/ Certificates	**Timelines for submission requirements by Company to Debenture Trustee**	**Timeline for submission of reports/ certifications by Debenture Trustee to Stock Exchange**
Security cover certificate	Quarterly basis within 45 (forty-five) days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 60 (sixty) days from end of each quarter or within such timelines as prescribed under Applicable Law

In addition to the above Clause, the Company shall on or before the 15th of every month, provide a Management certified Stock Statement.

(ii) on Half-Yearly Basis:

A. In case where listed debt securities are secured by way of receivables/ book debts, it shall obtain a certificate from the statutory auditor on a half yearly basis giving the value of receivables/book debts including compliance with the covenants of the Offer Document

B. A certificate regarding maintenance of 100% security cover or security cover as per the terms of relevant Transaction Documents and/or this Deed, including compliance with all the covenants, by the statutory auditor, along with the financial results, in the manner and format as specified by SEBI.

(iii) on a yearly basis:

A. Certificate from the Issuer's statutory auditor, certifying the use of the proceeds raised through the issue of the Debentures towards the purposes mentioned in the Transaction Documents;

B. Certificate from the Issuer's statutory auditor, certifying the value of the Receivables and Security Cover;

(iv) promptly

A. intimations regarding:

(i) failure to create charge on the assets;

(ii) at the same time as it has intimated to the stock exchange, all material events and/or information as disclosed under regulation 51 of the SEBI LODR Regulations in so far as it relates to the interest, principal, issue and terms of Debentures, rating, creation of charge on the assets, notices, resolutions and meetings of Debenture Holders.

(y) The Company to maintain, at all times, a minimum of one-time security cover throughout the life of the Debentures in respect of the outstanding Debentures and interest accrued thereon

8. REPRESENTATIONS AND WARRANTIES

In addition to the representations and warranties, contained in the Debenture Trust Deed and other Transaction Documents, the Company represents and warrants that:

(a) The Company has the power and authority to execute, deliver and perform the actions contemplated in this Deed and to execute, deliver and perform all documents executed/ required to be executed under or in relation to this Deed, and the Company has taken all necessary action for the execution of this Deed;

(b) The Hypothecated Assets are free and clear of any charge/encumbrance in terms hereof and no government/ statutory approval or approval of any other party is required for the creation and perfection of the security interest on the Hypothecated Assets as created under this Deed and, if any approval is required, such approval or consent has been obtained or will be obtained;

(c) All consents approvals permissions have been acquired by the Company as are required by the Company for availing any borrowings or issuance of Debentures.

(d) The obligations expressed to be assumed by the Company in this Deed are legal and valid obligations binding on it and enforceable against it, in accordance with the terms thereof. The execution, delivery and performance by Company of this Deed, is not in violation of Applicable Law, constitutional documents of the Company, any trust, instrument, contract, agreement, arrangement, obligation, duty or any order, writ, injunction or decree of any court or government authority, by which the Company is bound, and will not result in

the creation or imposition of (or the obligation to create or impose) any security interest/ charge upon any of the assets of any of the Company;

(e) The Hypothecated Assets are and will at all times be the legal property of Company, until the enforcement of security in terms hereof and other Transaction Documents, and no person has any right, claim or interest over any of the Hypothecated Assets;

(f) There is no circumstance in existence, or which is likely to come into existence, which may affect the enforceability of the security or transferability of the Hypothecated Assets pursuant to enforcement of the security created hereunder.

(g) The Hypothecated Assets shall be specifically appropriated to the charge created under this Deed and the Company shall not assign or otherwise deal with the Hypothecated Assets or any part thereof, or create or suffer any, charge, lien, hypothecation on the Hypothecated Assets, except in the ordinary course of its business, without the prior written consent of the Debenture Trustee. Any charge created by the Company on the Hypothecated Assets, in contravention of this Deed, shall be void.

(h) The Company shall register the Security Interest created pursuant to this Deed, in favour of the Debenture Trustee by filing the relevant e-Form CHG-9 (in the prescribed form) under the Companies Act, 2013 in the office of the Registrar of Companies within 30 (thirty) days of the execution of this Deed. The Company shall also assist in making necessary filings with the Central Registry pursuant to the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

(i) The Company shall bear and pay the applicable stamp duty on this Deed and all costs and other charges of the Debenture Trustee and Debenture Holder(s) (including penalties, if any) incurred in connection with the stamping of these presents and if any such amounts are paid by the Debenture Trustee and Debenture Holder(s), the Company shall forthwith pay to the Debenture Trustee and Debenture Holder(s) the amount thereof together with interest thereon at the rate of 1% per annum over the applicable interest rate, and until such reimbursement by the Issuer, such amounts shall form part of the Secured Obligations.

9. RIGHTS OF TRUSTEE

In addition to the other powers conferred on the Trustee and provisions for its protection and not by way of limitation or derogation of anything neither in these presents contained nor of any statute limiting the liability of the Trustee, IT IS EXPRESSLY DECLARED as follows:

(a) The Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether

obtained by the Company or by the Trustee or otherwise;

(b) The Trustee shall be at liberty to accept a certificate signed by anyone of the authorized signatory of the Company as to any act or matter prima facie within the knowledge of the Company as sufficient evidence thereof and a like certificate that any property or assets are in the opinion of such authorized signatory so certifying worth a particular sum or suitable for the Company's purpose or business as sufficient evidence that it is worth that sum or so suitable and a like certificate to the effect that any particular dealing or transaction or step or thing is in the opinion of the authorized signatory so certifying expedient as sufficient evidence that it is expedient and the Trustee may call for further evidence in this respect if required depending on the facts and circumstances;

(c) The Trustee shall take all reasonable steps to ascertain whether any Event of Default has happened upon the happening of which the security hereby constituted or the rights under the Debentures become enforceable;

(d) Save as herein otherwise expressly provided the Trustee shall, as regards all trusts, powers, authorities and discretions hereby vested in the Trustee, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise in accordance with the terms hereof. The Trustee shall be bound to act at the request or direction of the Debenture Holders under any provisions of these presents and may require Debenture Holders to provide funds for the same, however even if the same are not provided it shall take necessary action to protect the interest of the Debenture Holders. The Trustee shall be entitled for reimbursement of costs, charges, expenses and liabilities which may be incurred in complying with such request or direction or otherwise, from realization of assets charged before distribution;

(e) With a view to facilitating any dealing under any provision of these presents the Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;

(f) The Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof 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 hereunder; and

(g) The Trustee shall exercise the powers herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable for the purpose of perfecting or enforcing the security hereby created or for any loss or injury which may be occasioned by reason thereof upon the request made in writing to perform, exercise or do any of such steps as aforesaid by atleast one tenth of the Debenture Holders for the time being outstanding or on the happening of any event, which constitutes a default or breach of covenants (as specified in the information memorandum and/or Debenture Trust Deed) or which in the opinion of the debenture trustees affects the interest of the Debenture Holders or by a special resolution of a meeting of the Debenture Holders and the

Trustee shall perform, exercise or do any such acts, powers or things or to take any such steps and the costs, charges & expenses incurred by the Trustee shall be reimbursed by the Debenture Holders.

PROVIDED NEVERTHELESS that nothing contained in this clause shall exempt the Trustee from or indemnify them against any liability for breach of trust 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 as determined by the court of competent jurisdiction which they may be guilty of in relation to their duties hereunder.

10. APPOINTMENT OF TRUSTEE AS ATTORNEYS OF THE COMPANY

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

11. INDEMNITY

The Company agrees to indemnify and hold harmless the Debenture Trustee and the Debenture Holders, receiver or attorney appointed by the Debenture Trustee (each an "**Indemnified Party**") in full at all times against all direct losses, liabilities, actions, proceedings, claims, demands, penalties, damages, costs, expenses disbursements, and other liabilities whatsoever (the "**Losses**"), including without limitation the costs and expenses of legal advisors and other experts, which may be incurred, suffered or brought against such Indemnified Party as a result or in connection with their appointment or involvement hereunder or the exercise of any of their powers or duties hereunder or the taking of any acts in accordance with the terms of this Deed, subject to the provisions of the SEBI NCS Regulations. Provided further that the debenture trustee shall not be indemnified for the loss or damage caused by its act of negligence or commission or omission as determined by the court of competent jurisdiction.

12. PROTECTION OF DEBENTURE TRUSTEE AND RECEIVER

A. **Limitation of Liability**

Neither the Debenture Trustee nor any receiver shall be under any liability whatsoever, towards the Company or any other person for any loss or damage which arises out of the exercise or the attempted or purported exercise of or the failure to exercise any of their respective rights, powers, authorities, discretions and trusts that may be vested in the Trustee under the Deed.

B. **Appointment of Receiver**

Subject to the provisions of applicable law as may, for the time being, be

applicable, the Trustee, at any time after the security hereby constituted becomes enforceable and whether or not the Trustee shall then have entered into or taken possession of the Hypothecated Assets and in addition to the power hereinbefore conferred upon the Trustee after such entry into or taking possession may, in writing, appoint any officer(s) of the Trustee or any other person as receiver(s) of the Hypothecated Assets or any part thereof to whose appointment the Company agrees and where such agreement is not reached, after the due approval of the Court. The receiver(s) so appointed, may at any time be removed by writing signed by or on behalf of the Debenture Trustee and the Company, or by the Court on application made by either party and on due cause shown and appoint any such other person(s) in his or their stead and unless the Trustee shall otherwise prescribe in writing such receiver(s) shall have all the powers hereinbefore conferred upon the Trustee. All the provisions and powers hereinbefore declared in respect of a receiver appointed by the Trustee after entering into or taking possession by the Trustee and in particular such receiver shall be deemed to be the agent of the Company which shall be solely responsible for his acts and defaults and for his remuneration.

(a) Appointment before or after possession: Such appointment may be made either before or after the Trustee shall have taken possession of the Hypothecated Assets or any part thereof;

(b) Receiver to be invested with powers by Trustees: Such receiver may be invested by the Trustee with such powers and discretion, including powers of management as the Trustee may think expedient:

(c) Receiver to exercise powers vested in Trustee: Unless otherwise directed by the Trustee, the receiver shall have and may exercise all the powers and authorities vested in the Trustee;

(d) Receiver to conform to regulations made by Trustee: The receiver shall, in the exercise of his powers, authorities and discretions, conform to the regulations and directions made and given by the Trustee from time to time:

(e) Receiver's remuneration: The Trustee may, from time to time, fix remuneration of the receiver and direct payment thereof out of the Hypothecated Assets, but the Company alone shall be liable for the payment of such remuneration;

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

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

(h) Trustee may pay monies to the receiver: The Trustee may pay over to the receiver any monies constituting part of the Hypothecated Assets to the extent that the same may be applied for the purposes hereof by such receiver and the Trustee may, from time to time, determine what funds the receiver shall be at

liberty to keep in hand with a view to the performance of his duties as such receiver;

(i) Receiver's power to borrow on Hypothecated Assets: Subject as provided herein, the receiver may for the purpose of carrying on the business of the Company as mentioned in (b) above, for defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in exercise of the powers, authorities and discretion vested in him and for all or any of the purposes, raise and borrow monies on the security of the Hypothecated Assets or any part thereof at such rate or rates of interest and generally on such terms and conditions as he may think fit, and no other person lending any such money shall be concerned to inquire as to the propriety or purpose of the exercise of the said power or to see to the application of any monies so raised or borrowed;

Provided that the receiver shall not exercise the said power without first obtaining the written consent of the Trustee but the Trustee shall incur no responsibility or liability to any lender or otherwise by reason of their giving or refusing such consent whether absolutely or subject to any limitation or condition;

(j) Receiver as agent of the Company: Every such receiver shall be the agent of the Company for all purposes and the Company alone shall be responsible for his acts and defaults, losses or misconduct and liable on any contract or engagement made or entered into by him and for his remuneration and the Trustee and the Debenture Holders shall not incur any liability or responsibility therefor by reason of their making or consenting to his appointment as such receiver; and

It is specifically agreed between the Trustee and the Company that in case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in these presents and the Prospectus referred above, the conditions as stated in the Deed shall prevail and override the provisions of Prospectus.

13. NO LEGAL TITLE FOR DEBENTURE HOLDERS

The Trustee shall not have legal title to any part of the Hypothecated Property; *provided however*, that the Trustee shall have a beneficial interest in the Hypothecated Property and shall be entitled to act only in accordance with the Transaction Documents.

14. NOTICES

All notices or other information to be given in accordance with the terms of this Deed shall be in writing, except as noted below and emailed or faxed or sent by courier, registered post and/or hand delivered at the address, or facsimile number, marked for the attention of the person(s) or department specified herein or such other address as may be notified to the other parties by not less than 7 (seven) days' prior written notice:

Company

Name:	U GRO Capital Limited
Address:	4th Floor, Tower 3, Equinox Business Park, Off BKC, LBS Road, Kurla (West), Mumbai - 400 070, Maharashtra
Contact number:	022 4891 8686
E-mail:	cs@ugrocapital.com
Attn:	Mr. Sunil Lotke/ Ms. Namrata Sajnani

Debenture Trustee

Name:	IDBI Trusteeship Services Limited
Address:	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001
Contact number:	+91 22 4080 7000
E-mail:	itsl@idbitrustee.com / gaurav.jeswani@idbitrustee.com /nikhil@idbitrustee.com / response@idbitrustee.com
Attn:	Mr. Nikhil Lohana/Mr. Gaurav Jeswani

15. ASSIGNMENT

The Company shall not be entitled to assign or transfer any of its rights, benefits and obligations under this Deed, except with the prior written consent of the Debenture Trustee.

16. NO WAIVER

The Company confirms that no delay of the Debenture Trustee in exercising or not exercising any right, power or remedy accruing/ available to the Debenture Trustee under this Deed shall impair or prejudice such right, power or remedy or shall be construed as its waiver or acquiescence. Every right and remedy of the Debenture Trustee shall continue in full force until the Debenture Trustee specifically waives it by a written instrument.

17. SEVERABILITY

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

18. COSTS AND EXPENSES

The Company shall from time to time and at all times, at its own cost and expenses, execute, make and do or cause and procure to be executed, made and done every such assurance, act and thing for further and more perfectly assuring all or any of the Hypothecated Assets and any future assets comprised in these presents unto and to the

use of the Debenture Trustee for the benefit of the Debenture Holders on the terms of these presents as shall be requested in writing by the Debenture Trustee.

19. AMENDMENTS

Any amendment or modifications to this Deed shall be effective, only if made in writing and with the prior written consent of the Debenture Trustee.

20. GOVERNING LAW AND JURISDICTION

This Deed, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of India and the courts in Mumbai shall have non-exclusive jurisdiction in respect of this Deed.

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

SIGNED AND DELIVERED by, for and on behalf of **U GRO Capital Limited**
For U GRO CAPITAL LIMITED Authorised Signatory
Name: [•] ANUPAM GUPTA
Title: [•] NATIONAL SALES MANAGER

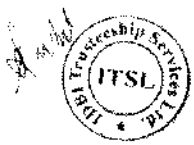
ACCEPTED & ACKNOWLEDGED BY DEBENTURE TRUSTEE

NAME: RAMESH SADANANDAN
TITLE: VICE PRESIDENT

For IDBI TRUSTEESHIP SERVICES LTD.

AUTHORISED SIGNATORY

UGANDA CAPITAL LIMITED


ITSL
Trusteeship Services Ltd.

SCHEDULE I

HYPOTHECATED ASSETS

The Debentures shall be secured by way of: (i) a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Effective Date, executed or to be executed and delivered by the Issuer in a form acceptable to the Debenture Trustee ("Deed of Hypothecation") over the receivables (both present and future) arising out of identified book debts/loan receivables of the Issuer and all rights under the relevant loan documents in respect of the aforementioned identified book debts/loan receivables, and as set out in the Deed of Hypothecation ("Hypothecated Assets"); and (ii) such other security interest/contractual comfort as may be agreed between the Issuer and the Debenture Holders ((i) and (ii) above are collectively referred to as the "Transaction Security").

On or prior to the Deemed Date of Allotment, the Company will provide a first ranking exclusive security by way of hypothecation over certain identified loan receivables that comply with the criteria prescribed under Schedule I below up to such security cover as is prescribed below and cash collateral (if any) (the **"Identified Assets"**).

On the Deemed Date of Allotment, the aggregate value of the principal amounts outstanding under such loans constituting the Identified Assets shall be 1.2x (one decimal point two times) of the principal amounts of the Debenture (**"Security Cover"**). The Company shall on a monthly basis hypothecate additional loans and/or replace only such loans constituting the Identified Assets that do not comply with the prescribed eligibility criteria, with loans that meet the eligibility criteria set out in this Schedule to the Debenture Trustee such that the principal amounts outstanding under the loans constituting the Identified Assets shall not be less than 1.2x (one decimal point two times) of the aggregate amount of principal outstanding under the Debentures.

Description of the Identified Assets

Each loan constituting the Identified Assets shall meet each of the eligibility criteria listed below.

- Loans must be unencumbered (other than under the Transaction Documents) and not sold or assigned by the Company
- Loans must have been originated while complying with all the extant 'know your customer' norms specified by the RBI.
- Loans are current and not in overdue at the time of hypothecation and have not been terminated or prepaid. At the time of additional hypothecation, only those loans which don't meet the eligibility criteria can be replaced by the entity after transaction settlement
- No loans must have DPD>60.
- Charge on Hypothecated Assets should be registered in CERSAI by the Debenture Trustee and MCA by the Company.