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महाराष्ट्र MAHARASHTRA

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प्रधान मुद्रांक कार्यालय, मुंबई  
 प. मु. वि. क्र. ००००९२  
 10 JULY 2014  
 सविम अधिकारी

DEED OF MORTGAGE

This DEED OF MORTGAGE made at Mumbai on this 21<sup>st</sup> day of July, 2014 (hereinafter referred to as the "Deed")

BY AND BETWEEN

KOTAK MAHINDRA INVESTMENTS LIMITED, a public company within the meaning of the Companies Act, 1956 and having its Registered Office at 27 BKC, C 27, G Block Bandra Kurla Complex, Bandra East Mumbai-400051 hereinafter called "the Company" (which expression shall, unless excluded by or repugnant to the context or meaning thereof, include its successors and permitted assigns) of the ONE PART

AND

AXIS TRUSTEE SERVICES LIMITED, a Company registered under the Companies Act, 1956 having its Registered Office at Axis House, 2<sup>nd</sup> Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400025 hereinafter called "the Trustees", (which expression shall unless excluded by or repugnant to the context or meaning thereof, include the Trustees or the Trustees for the time being hereof, and include its successors and assigns) of the OTHER PART

(The Company and the Trustees are hereinafter collectively referred to as the "Parties" and individually as a "Party").



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दस्तावेज/कार प्रतिलिपि क्रमांक  
(Nature of document/Article No) **Mortgage Deed**

दस्तावेज नोंदणी के लिए प्रारंभित का ?  
(Whether registered)

नॉटरीय दस्तावेज के रूप में निबंधक कार्यालय/कार्यालय का  
If Registered, Name of S.R.O

मिळकत का विवरण  
(Property Description in brief)

पोबंदी का मूल्य  
(Consideration Amount)

मुद्रांक (Mortgagee's Name) **Kotak Mahindra Investments Ltd.**  
1st Floor, Vinay Bhavna Complex,  
C. S. T. Road, Kalina,

दस्तावेज के लिए पक्ष  
Name of the party **Santacruz (E), Mumbai - 400 098**

दस्तावेज के लिए पक्ष का पता  
(Name of person to whom Stamp is affixed & Address)

मुद्रांक का मूल्य  
Stamp

मुद्रांक दिनांक  
(Date)

मुद्रांक का क्रमांक  
(Serial No) **021835**

मुद्रांक के लिए टिकट का पता  
(Address for Stamp)

मुद्रांक के लिए टिकट का पता : **दुर्गा बाग**  
पॉप नं १०, वॉले कोर्टा रोड, ए. के. मार्ग, वांद्रे पूर्व, मुंबई - ४०० ०५५

कार्यालय की तारीख  
(Date of Office)

**AXIS Trustship 179**

**21 JUL 2014**

*(Signature)*

**WHEREAS:**

- A. The Parties hereto had entered into a debenture trust deed dated December 21, 2009 and which has been amended by way of various modification/ supplemental deeds, time to time (hereinafter referred to as the **Debenture Trust Deed**) for the purposes of issuing Debentures in several series/tranches, on a private placement basis.
- B. Under the Debenture Trust Deed *inter alia* a mortgage was created on the Investments (as defined under the Debenture Trust Deed) and the Current Assets (as defined under the Debenture Trust Deed) of the Company and the said Debenture Trust Deed was duly stamped with the appropriate stamp duty. Further, the said Debenture Trust Deed also provided that the Company is entitled to provide additional security for the benefit of the Debenture Holders, and for this purpose the Parties would be required to execute a fresh mortgage deed or any other document/instrument as specified by the Trustee;
- C. The Company is now desirous of creating an additional security by way of a first ranking *pari passu* mortgage on Additional Mortgaged Properties (defined below) to secure the existing and further Debentures issuances under the Debenture Trust Deed.
- D. The security created hereunder in favour of the Trustees to secure the obligations under the Debenture Trust Deed for the benefit of Debenture Holders shall rank *pari-passu* inter-se the Debenture Holders and other lenders in respect of the borrowings of the Company.
- E. The Company is desirous of executing these presents in favour of the Trustees for the benefit of the Debenture Holders, which the Company has agreed to do in the manner hereinafter expressed.

**NOW THIS DEED WITNESSETH:**

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless there is anything in the subject or context inconsistent therewith, the capitalised terms listed below shall have the following meanings:

"Act" shall mean the Companies Act 2013 or the Companies Act, 1956, as may be applicable.

"Additional Mortgaged Properties" shall have the meaning assigned to such term in Clause 3.1 hereunder.

"Debenture Trust Deed" shall have the meaning ascribed to it in Recital A.

"Event of Default" shall mean the events set out in Clause 6 of the Debenture Trust Deed.

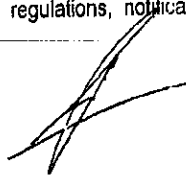

"Encumbrance" shall mean any lien, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same.

"Final Maturity Date" means such date on which all Debentures issued under the Debenture Trust Deed have been paid and settled in accordance with the terms of the Debenture Trust Deed read with the respective information memorandums and term sheets.

"Governmental Authority" shall mean the President of India, the Government of India, the Governor of any State of India, the Government of any State of India, any ministry or department of the same or any board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Company) or commission under the direct or indirect control of the Government of India or the Government of any State of India.

"Law" includes all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives,



circulars and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognized stock exchange governing the operations and business of the Company.

"Receiver" shall have the meaning ascribed to it in Clause 12.1 hereunder.

## 1.2 Interpretation

In this Deed, unless the context otherwise requires:

- (a) the words importing singular shall include plural and vice versa and the words denoting natural persons shall where the context admits, include partnerships, firms, companies, corporations, associations, organisations or other entities (whether or not having a separate entity);
- (b) the headings are for convenience or reference only and shall not affect the construction or interpretation of this Deed;
- (c) the words "include" and "including" are to be construed without limitation;
- (d) reference to this Deed or to any other agreement or deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may, from time to time, be amended, varied, or supplemented;
- (e) all references in this Deed to any provision of any statute, rule, order or regulation shall be deemed to refer to the statute, rule, order or regulation as modified or re-enacted from time to time;
- (f) the provisions contained in the Schedules hereunder written shall have effect in the manner as if they were specifically herein set forth;
- (g) All references to Trustees shall, unless the context otherwise requires, be deemed to be references to the Trustees acting on behalf of and for the benefit of the Debenture Holders and each of their successors and assigns;
- (h) Any capitalized term used but not defined in this Deed shall have the meaning given to it in the Debenture Trust Deed; and
- (i) in the event of there being any inconsistency or repugnancy between the provisions contained in the Debenture Trust Deed (including any modification and supplemental deeds entered in to by the Company and Trustee) and these presents, the provisions contained in this Deed shall prevail to the extent of such inconsistency or repugnancy.

## 2. COVENANT TO PAY

Pursuant to the Debenture Trust Deed (as amended from time to time) and in consideration of the Debenture Holders subscribing to the Debentures under the Debenture Trust Deed from time to time, the Company covenants and agrees with the Trustees that it shall perform its obligations in accordance with the Debenture Trust Deed.

## 3. GRANT AND TRANSFER

### 3.1 Mortgaged Properties

For the consideration aforesaid and as a continuing security for the payment / repayment of all amounts outstanding under the Debentures issued/to be issued under the Debenture Trust Deed, the Company hereby by way of further assurance additionally grants an absolute charge unto the Trustees (for the benefit of the Debenture Holders) by way of an first ranking *pari passu* mortgage, over the current assets (including loan receivables) and investments of the Company, more particularly provided in Schedule I hereto (hereinafter referred to as the "Additional Mortgaged Properties"), TO HAVE AND HOLD THE SAME unto the Trustees and for the purposes and powers contained herein and in the Debenture Trust Deed;

Provided that the Company shall, for every calendar month ("Relevant Month") hereafter during the currency of this Deed, be obligated to furnish to the Debenture Trustee, on or before the 25<sup>th</sup> day of the calendar month following the Relevant Month, a revised / substituted Schedule I containing



details of substituted Additional Mortgaged Properties including specified receivables existing as on the last day of Relevant Month. The said Schedule I shall be submitted to the Debenture Trustee on monthly basis as aforesaid only with an intent to modify/substitute the Additional Mortgaged Properties forming part of and comprised in the security to the extent of charge in Schedule I. However, such modification/substitution shall become absolute and effective only on quarterly basis i.e. on the 25<sup>th</sup> day of the month respectively succeeding the quarters ending the last day of March, June, September and December every year, without any further act, deed or writing on part of the parties. Such substitution shall be intimated by the Company to the Debenture Trustee, substantially in the form annexed as Schedule II hereto. With each such modification/substitution, the Company shall complete timely filing and registration of such modifications in accordance with the Act and rules made thereunder. Save as aforesaid, no such modification / substitution shall, only by virtue of itself, amend or modify in any manner any other terms and conditions of this Deed. Accordingly, save as aforesaid, the Deed shall continue as unchanged and to operate in full force and effect.

#### 4. NATURE OF SECURITY / POWERS OF THE TRUSTEES

##### 4.1 Ranking

The security created in terms of this Deed by the Company in favour of the Trustees shall be a first ranking *pari passu* charge and will also be shared *pari passu* with other lenders in respect of the borrowings of the Company.

##### 4.2 Continuing Security

The security created by or pursuant to this Deed is a continuing security and shall remain in full force and effect until the all the Debentures are redeemed, notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Company of the whole or any part of the amounts outstanding in accordance with the Debenture Trust Deed and is in addition and without prejudice, to any other security, or other right or remedy which the Trustees may now or hereafter hold as security for the amounts outstanding in respect of the Debentures or any part thereof. This security may be enforced against the Company without first having recourse to any other rights of the Trustees.

##### 4.3 Other Security

This security is in addition to, and shall neither be merged in, nor 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 Trustees 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 amounts outstanding in respect of the Debentures.

##### 4.4 Cumulative Powers

- (a) The powers which this Deed confers on the Trustees and any Receiver, appointed pursuant to the powers conferred on the Trustees in terms of this Deed, hereunder are cumulative, without prejudice to their respective powers under the Law and the Debenture Trust Deed, and may be exercised as often as the Trustees or the Receiver thinks appropriate in accordance with these presents.
- (b) The Trustees or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever; and the Company acknowledges that the respective powers of the Trustees and the Receiver shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing by the Trustees or Receiver as relevant.
- (c) No failure or delay by the Trustees to exercise any right, power or remedy hereunder shall impair such right, power or remedy or operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy.

##### 4.5 No Effect

Neither the security created under this Deed nor the rights, powers and remedies conferred on the Trustees or the Receiver by the Company shall be discharged, impaired or affected by:

- (a) any invalidity or unenforceability or amendment of Debenture Trust Deed;



- (b) any change or variation in the terms of the Debentures as may be agreed to in accordance with the terms of the Debenture Trust Deed;
- (c) any time or other indulgence given or agreed to be given by the Trustees (acting on the instructions of the Debenture Holders) for the performance of the obligations by the Company under the Debenture Trust Deed;
- (d) any release or exchange of security or obligations granted or undertaken pursuant to the Debenture Trust Deed;
- (e) any other act, event or omission which but for this provision would impair or discharge the Company's liability hereunder;
- (f) any change in the structure or organisation of the Company as a result of change in Law, insolvency of the Company or otherwise, including the winding up (voluntary or otherwise), merger or amalgamation, reconstruction or otherwise of the Company with any other company or takeover of the management of the Company.

5. **RIGHT TO SECURITIZE AND ASSIGN THE MORTGAGED PROPERTIES**

Notwithstanding anything contained in this Deed, so long as asset cover is maintained, the Company shall have all the rights to deal with the Additional Mortgaged Properties in normal course of business including, *inter alia*, the right to securitize the receivables (including direct assignment of the receivables). So long as the asset cover is maintained and the Company proving a statutory auditor's certificate in this aspect on quarterly basis, the Company need not intimate the Debenture Trustee / Debenture Holders of any such dealings regarding the assets of the Company.



A handwritten signature consisting of several overlapping, fluid strokes.



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6. **RELEASE OF CHARGE**

- (a) On the Final Maturity Date, the Trustees shall, at the request and cost of the Company, release to the Company or to such other person as the Company may request, the Additional Mortgaged Properties freed and discharged from the trusts and security hereby created. The abovementioned request shall be accompanied with 'no due certificates' the from Debenture Holders in respect of the Debentures.
- (b) Notwithstanding anything contained in this Deed or the Debenture Trust Deed, so long as the asset cover ratio as specified in Debenture Trust Deed is met the Company shall be permitted to call upon the Trustees to have the Additional Mortgaged Properties or a part thereof released to the Company. In the event such a release request is made to the Trustees, the Trustees shall execute such deeds or such other documents as may be required to give effect to the release of the Mortgaged Properties. The released portion shall thereafter be deemed to be excluded from the Additional Mortgaged Properties set out in Schedule I hereto.

7. **COMPANY'S REPRESENTATIONS AND WARRANTIES**

7.1 In addition to the representations and warranties made by the Company in the Debenture Trust Deed, the Company hereby represents and warrants to the Trustees as follows:

- (a) Save and except the mortgage created pursuant to this Deed, the Additional Mortgaged Properties hereinbefore expressed to be granted and assured by way of a charge are the sole and absolute property of the Company and are not subject to any attachment, or other order or process issued by any Governmental Agency;
- (b) There are no legal proceedings, suits, appeals or other actions in Law, whether judicial, fiscal or administrative, pending or threatened, or claims in respect of the Additional Mortgaged Properties which may if successful, prevent the Company from performing its obligations in respect of the Mortgage or any of the transactions contemplated hereby, or cause the rescission thereof;
- (c) The provisions of this Deed are effective to create in favour of and for the benefit of the Trustees, a legal, valid and binding security on all of the Additional Mortgaged Properties and all necessary and appropriate recordings and filings shall be made, and all other necessary and appropriate actions have been taken and/or shall be taken so that this Deed creates effective security on all the right, title, estate and interest of the Company in the respect of the Additional Mortgaged Properties and all consents required under Law for the creation, effectiveness, priority and enforcement of such security have been obtained;
- (d) Notwithstanding anything done or executed or omitted to be done or executed or knowingly suffered to the contrary, by the Company, the Company now has power to grant, assure and charge unto the Trustees the Additional Mortgaged Properties in the manner contemplated by these presents;
- (e) Upon the occurrence and during the continuance of an Event of Default (as defined in the Debenture Trust Deed), then and in any such case it shall be lawful for the Trustees (acting on the instructions of any Debentureholders) or any person appointed by the Trustees, including a Receiver, to enter upon the premises where the books of accounts and other documents relating to the Additional Mortgaged Properties are kept and for the purpose of such entry to do all such acts, deeds or things deemed necessary and to take charge of and/or to seize, recover, receive, appoint receivers, and/or take possession of all or any of the said properties or books of accounts and other documents relating thereto and thereupon either forthwith or at any time and without notice either by public auction or tender or by private contract or tender, sell and dispose of all or any part of the Additional Mortgaged Properties in such manner as the Trustees (acting on the instructions of any Debenture Holders) shall think fit and also to give notice or demand to the relevant Company's debtors and third parties liable therefor, sue for, recover, receive, give effect to receipts for the same.

8. **COMPANY'S COVENANTS**

8.1 **General Undertakings**



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The Company hereby declares, undertakes and covenants as follows:

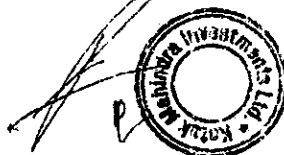
- (a) Upon the occurrence of an Event of Default, the Company shall execute on demand such further documents, assignments and other writings as may be required by the Trustees (acting on the instructions of the Debenture Holders) or by the law so as to effectively and absolutely vest the Additional Mortgaged Properties in the Trustees and so as to render them easily enforceable, realizable and transferable by Trustees at any time;
- (b) The Company shall not create any charge or Encumbrance on the Additional Mortgaged Properties or any part thereof without the prior written consent of the Trustees. Provided however, so long as the asset coverage ratio required to be maintained under the Debenture Trust Deed or the relevant information memorandums/term sheets in respect of the relevant series/ tranche the Company may charge or Encumbrance on the Additional Mortgaged Properties without seeking any written consent of the Trustees/ Debenture Holders;
- (c) No change whatsoever in the constitution of the Company shall affect or discharge the liability of the Company to the Trustees or the Debenture Holders hereunder.

## 8.2 Security

- (a) The Company shall perfect the security over the Mortgaged Properties, including by way of filing the necessary forms prescribed with the relevant registrar of companies, in accordance with Law.
- (b) The Company shall at all times ensure that it maintains the asset cover ratio as required under the Debenture Trust Deed read with the relevant Information Memorandums/Term Sheets. It is clarified that in order to calculate the asset cover ratio the security created under the Debenture Trust Deed shall also be considered.
- (c) Upon the occurrence of an Event of Default and when the Trustees seeks to enforce the security over the Additional Mortgaged Properties and to take possession thereof, the Company shall comply with all such directions as may be given by the Trustees and afford every facility for placing and keeping the Trustees in exclusive possession, custody and control of the Additional Mortgaged Properties and the books of accounts and other documents relating to the Additional Mortgaged Properties and in such manner that such possession, custody and control shall be apparent and indisputable. It is hereby further agreed that if and when the Trustees exercises its right to demand payment of monies due to the Debenture Holders or to take possession of the Additional Mortgaged Properties and the books of accounts and other documents relating to Additional Mortgaged Properties the Company shall until actual delivery thereof to the Trustees, be deemed to be in possession of the same as an agent of the Trustees but entirely at the risk and cost of the Company; Provided always and it is hereby expressly agreed and declared that even after the security shall have become enforceable or have been enforced and even after the Trustees shall have taken possession of the books of accounts and other records, documents etc. relating to the Additional Mortgaged Properties in the enforcement of the security or appointed or caused to have appointed a receiver thereof or shall have taken any other action in exercise of the powers or any of them conferred on the Trustees, the Trustees shall be entitled to store the books of accounts and other records, documents etc. relating to the Additional Mortgaged Properties in the Company's premises where they may be lying until the full and complete enforcement and realisation of the security and the Company shall be liable to and shall bear and pay on demand the cost of storing the books of accounts and other records, documents etc. relating to the Additional Mortgaged Properties in such premises including the rent or compensation payable for such premises and the salary and remuneration of the watchman and other personnel that may be engaged for security, preservation and handling the books of accounts and other records, documents etc. relating to the Mortgaged Properties.

## 8.3 Further assurances

The Company shall, and shall procure that all other Persons lawfully or equitably claiming or being entitled to claim any estate, right, title or further assurances, interest in, to or upon the Additional Mortgaged Properties and any future assets comprised in those presents or any of them or any parts thereof respectively, shall and will, from time to time and at all times, at the cost of the Company, 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 Additional Mortgaged Properties





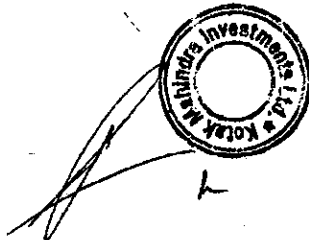
and any future assets comprised in these presents unto and to the use of the Trustees on the terms of these presents as shall be requested in writing by the Trustees.

**8.4 Company's Covenant:**

The Company shall observe and perform each of the covenants set forth in the Debenture Trust Deed, which covenants are hereby incorporated herein by reference and made a part of the Deed as if such covenants and other relevant provisions were set forth in full herein.

**9. APPOINTMENT OF TRUSTEES AS ATTORNEY OF THE COMPANY**

The Company hereby irrevocably appoints the Trustees to be the Attorneys 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 Trustees 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 Debentureholders or to the Trustees on their behalf the full benefit of any of the provisions of these presents and generally to use the name of the Company in the exercise of all or any of the powers hereby conferred upon the Trustees or any Receiver appointed by them. The Company covenants with the Trustee /Debenture Holder to ratify and confirm all acts or things made done or executed by the Trustees as contemplated by Clause 9 hereinabove.



**10. POWER OF TRUSTEES TO DELEGATE**

The Trustees may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by these presents act by an officer or officers for the time being of the Trustees and the Trustees may also, whenever it thinks it expedient, delegate by executing a power of attorney or otherwise in favour of any such officer or officers all or any of the trusts, powers, authorities and discretions vested in it 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 Trustees may think fit and the Trustees shall be bound to supervise the proceedings and shall be responsible for any loss incurred by reason of any misconduct or default or any mistake, oversight, error of judgment or want of prudence on the part of any such delegate or sub-delegate.

**11. EVENT OF DEFAULT**

**11.1** The security created herein in favour of the Trustees shall become enforceable by the Trustees upon the occurrence of an Event of Default.

**11.2 General Enforcement Powers**

Upon the occurrence of an Event of Default, the Trustees shall, without prejudice to any other rights and remedies it may have under Law, have the right to do any of the following (acting on the instructions of the Debenture Holders):

- (a) To sell, call in, collect, convert into money or otherwise deal with or dispose of the Additional Mortgaged Properties or any part of the Additional Mortgaged Properties on an instalment basis or otherwise and generally in such manner and upon such terms whatever as the Trustees may consider fit;
- (b) To exercise any and all powers which a Receiver could exercise hereunder or under Law;
- (c) To appoint by writing any Person or Persons to be a Receiver of all or any part of the Mortgaged Properties, and from time to time determine the remuneration of the Receiver and remove the Receiver (except where an order of any court is required therefor);
- (d) To appoint another in place of any Receiver, whether such Receiver is removed by the Trustees or an order of the court or otherwise ceases to be the Receiver or one of two or more Receivers; and
- (e) take all such other action expressly or impliedly permitted under this Indenture and/or in law.
- (f) To exercise the Power of Sale as provided hereinafter.

**11.3 Power of Sale**

Upon the occurrence of an Event of Default, the Trustees shall if so instructed by the Debenture Holders enter upon any premises where the books of accounts and other documents relating to the Additional Mortgaged Properties are kept and for the purpose of such entry to do all such acts, deeds or things deemed necessary and also give notices or issue demands for recovery of the Mortgaged Properties, sue for, recover, receive, give effectual receipts for the same and take charge of, recover, receive, appoint receivers, and or take possession of all or any of the Additional Mortgaged Properties and/or books of accounts and other documents relating to the Additional Mortgaged Properties and thereupon either forthwith or at any time without notice either by public auction or tender or by private contract or tender sell and dispose of all or any part of the Additional Mortgaged Properties in such manner as the Trustees may think fit or appropriate the Additional Mortgaged Properties or part thereof towards discharge of the amounts outstanding in respect of the Debentures.

PROVIDED ALWAYS that before making any such entry or taking possession as aforesaid or making sale, calling in, collection appropriation or conversion under the aforesaid power in that behalf (hereinafter referred to as the "Power of Sale") the Trustees (acting on the instructions of any Debenture Holders) shall give written notice of its intention to the Company; except in such cases where in the Trustees's opinion (acting on the instructions of the Debenture Holders), issuing of such notice and the further delay that would ensue would imperil its interests, or in any case where an order or resolution for the winding up of the Company shall have been made or passed.



11.4 **Purchasers and Persons Dealing with the Trustee not put on Enquiry**

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

11.5 **Enforcement Proceeds**

The Trustees shall be entitled to the monies arising out of:

- (a) any sale, calling in, collection or conversion under the Power of Sale;
- (b) income;
- (c) policy or policies of insurance;
- (d) compensation money in respect of any acquisition requisition or nationalisation or take-over of the management of any of the Mortgaged Properties;
- (e) any other realisation whatsoever;

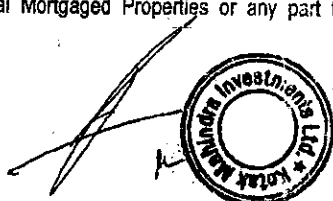
and it shall, in the first place, by and out of the said monies reimburse itself and pay, retain or discharge all the costs, charges and expenses incurred in or about the entry, appointment of Receiver, calling in, collection, conversion or the exercise of the powers and trusts under these presents, including payment of the Receiver's remuneration as herein provided, and shall utilize the balance monies towards payment of the amounts outstanding in respect of the Debentures. Any monies remaining after making payments of the amounts outstanding in respect of the Debentures shall be returned to the Company.

12. **RECEIVER.**

12.1 The Trustees at any time after the security hereby constituted shall have become enforceable may (on the instructions of the Debenture Holders), by writing, appoint as receiver of the Additional Mortgaged Properties ("Receiver") or any part thereof one or more Persons and may remove any Receiver so appointed and appoint another in his stead, with prior intimation to the Company.

12.2 **Status, powers and remuneration of Receiver**

- (a) Receiver may, from time to time, be invested with such of the rights, powers, authorities and discretions exercisable by the Trustees set forth herein or under applicable Law or as the Trustees may think expedient including the following rights, powers and authorities, exercisable from time to time under the directions of the Trustees:
  - (a) to take possession, custody or management of the Mortgaged Properties;
  - (b) remove any person from the custody of the Mortgaged Properties, who the Trustees or the Company would have a right to remove;
  - (c) to take such steps for the realization, management, protection, preservation and improvement of the Mortgaged Properties, the collection of the rents, profits thereof and any other amounts received or realised in respect of the Mortgaged Properties, the application and disposal of such rents, profits and amounts.
  - (d) to redeem any Encumbrance and settle and pass the accounts of the Encumbrances so that any accounts so settled and passed shall be conclusive and binding on the Company and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
  - (e) to settle, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any Person or body who is or claims to be a creditor of any Company relating in any way to the Additional Mortgaged Properties or any part thereof;
  - (f) to bring, prosecute, enforce, defend and discontinue all such actions and proceedings in relation to the Additional Mortgaged Properties or any part thereof as the Receiver shall consider fit;



- (g) to do all such other acts and things (including, without limitation, signing and executing all documents and deeds) as may be considered by the Trustees to be incidental or conducive to any of the matters or powers aforesaid or otherwise incidental or conducive to the preservation, improvement or realization of the Mortgaged Properties;
- (h) to exercise all such other power and authority as the Trustees shall consider fit to confer and the Trustees may in relation to such part of the Mortgaged Properties, as is subject to the security expressed to be created hereunder, confer any powers and authorities which it could give if it were an absolute beneficial owner thereof; and
- (j) The Trustees may from time to time fix the remuneration of such Receiver and may direct payment thereof out of the Additional Mortgaged Properties provided that all costs and expenses incurred and such remuneration shall be borne by the Company.
- (k) The Trustees from time to time and at any time, may require any such Receiver to give security for the due performance of its duties as such receiver, and may fix the nature and amount of security to be so given.
- (l) All the powers, provisions and trusts contained in Section 69-A of the Transfer of Property Act, 1882, shall apply to the Receiver appointed under this Mortgage.
- (m) Every Receiver appointed under the provisions hereof shall be deemed to be the agent of the Company and the Company shall be solely responsible for such Receiver's acts, defaults or misconduct and shall be liable on any contract or engagement made or entered into by the Receiver.
- (n) The Receiver shall, in the exercise of the Receiver's powers, authorities and discretions, conform to the instructions, directions and regulations from time to time given or made by the Trustees.

**12.3 Protection of Receiver: Limitation of Liability**

Subject to Law, the Debenture Trustee, the Debenture Holders or the Receiver shall not be liable in respect of any loss or damage which arises out of the exercise or the attempted or purported exercise of or the failure to exercise any of its rights, powers, authorities, discretions and trusts that may be vested in the Debenture Trustee or the Debenture Holders or the Receiver. However, this limitation on liability shall not be applicable in case of any breach of duties and obligations hereunder and in Law, breach of trust, gross negligence, fraud or misconduct by the Debenture Trustee or the Debenture Holders or the Receiver.

**13. COSTS AND EXPENSES**

All costs, charges and expenses in respect of this Deed, including in relation to stamp duty, legal expenses for drafting, stamping and registration of this Deed shall be borne by the Company.

**14. MISCELLANEOUS**

**14.1 Discharges and Releases**

Notwithstanding any discharge, release or settlement from time to time between the Trustees and the Company, if any discharge or payment in respect of the Outstanding Amount by the Company is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision of Law or enactment relating to bankruptcy, insolvency, liquidation, winding up, composition or arrangement for the time being in force or for any other reason, the Trustees shall be entitled to enforce this Mortgage as if no such discharge, release or settlement had occurred.

**14.2 Amendment**

All amendments or supplements to the terms of this Deed can be made only in writing signed by all the parties to this Deed.

**14.3 Other Remedies**

The rights and remedies conferred upon the Trustees under this Deed shall not prejudice any other rights or remedies, to which the Trustees may, independently of this Deed, be entitled or any collateral or other security now or hereafter held by the Trustees.



#### 14.4 Notices

(a) Unless otherwise provided herein, all notices or other communications to be given shall be made in writing and by letter or facsimile transmission (save as otherwise stated) and shall be deemed to be duly given or made, in the case of personal delivery, when delivered; in the case of facsimile transmission, provided that the sender has received a receipt indicating proper transmission, when dispatched, or, in the case of a letter, 3 (Three) Business Days after being deposited in the post (by registered post, with acknowledgment due), postage prepaid, to such party at its address or facsimile number specified herein or at such other address or facsimile number as such party may hereafter specify or such purposes to the other by notice in writing.

(b) The particulars of each Party for the purposes of serving notices shall be as follows:

In case of Trustees:

*Attention* :  
*Address* : **AXIS TRUSTEE SERVICES LIMITED,**  
Axis House, 2<sup>nd</sup> Floor, Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg, Worli, Mumbai 400025,

*Telephone* : +91 022 4325 4231  
*Facsimile* : +91 022 2525 4200  
*Email* : debenturetrustee@axistrustee.com

In case of Company: KOTAK MAHINDRA INVESTMENTS LIMITED

*Attention* : Mr. Ravi Chugh  
*Address* : 1st Floor, Vinay Bahvya Complex, Kaina, Santacruz (E),  
Mumbai - 98

*Telephone* : 022 66768395  
*Facsimile* : 022 67594922  
*Email* : kmii.treasury@kotak.com

#### 14.5 Provisions Severable

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

#### 14.6 Governing Law

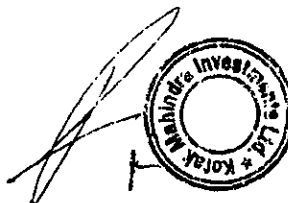
This Deed shall be governed by and construed in accordance with Indian law.

#### 14.7 Jurisdiction

The Company and the Trustees agree that the courts and tribunals at Mumbai in India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any suit, action or proceedings arising out of or in connection with this Deed may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

#### 14.8 Counterparts

This Deed may be executed in counterparts if necessary, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.



**Schedule 1: Description of the Additional Mortgaged Properties**

	As at 30.06.2014 Rs. in lakhs
<b>Investments</b>	
A. Long term (Non Trade) (at Cost) Quoted and Fully Paid up Equity Shares	
B. Unquoted and fully paid up equity shares	
C. Unquoted and fully paid up preference shared	
D. Quoted Fully Paid up Debentures	60,00.00
E. Investment in Mutual Funds	85,50.00
F. Others	37,60.50
<b>Subtotal</b>	<b>183,10.50</b>
<b>Current Assets</b>	
<b>Cash and Bank Balances</b>	
- in current accounts	5,18.01
- in Fixed Deposits	1,250.00
Loans and Advances	233,363.15
Other Current Assets	6,62.27
<b>Subtotal</b>	<b>2,357,93.43</b>
<b>TOTAL</b>	<b>2,541,03.93</b>



Schedule II

DRAFT INTIMATION TO THE DEBENTURE TRUSTEE  
(ON THE LETTERHEAD OF THE COMPANY)

Date: [Insert Date]

To,  
[●] [Insert Debenture Trustee's name]  
[Insert Address]

Attn: \_\_\_\_\_

Dear Sir/Madam,

Re: Deed of Mortgage dated [●], 2014 entered into between Kotak Mahindra Investments Limited ("Company") and [●] ("Debenture Trustee") ("Deed").

We refer to the captioned Deed.

In accordance with Clause 3.1 of the said Deed, please find attached herewith the revised / substituted Schedule I containing Additional Mortgaged Properties existing as on the last day of March / June / September / December, 20[●] and modifying the existing Schedule I to the said Deed.

The modification as mentioned in Clause 3.1 of the Deed shall come into effect on the 25<sup>th</sup> day of April / July / October / January, 20[●] as mentioned therein.

Capitalised terms used herein shall, unless defined herein, shall have the meaning assigned to them under the Deed.

Save as otherwise provided herein, no other terms or conditions of the Deed shall be changed by virtue of these presents and the Deed shall continue to remain in full force and effect.

This letter is issued in duplicate. Please sign and return a copy in confirmation of above.



For Kotak Mahindra Investments Limited

\_\_\_\_\_  
Director / Authorised Signatory

We hereby accept the contents of this letter and agree to the modification of the Deed.

For [●] \_\_\_\_\_  
Director / Authorised Signatory



IN WITNESS WHEREOF the Company and the Trustees have hereunto set and subscribed their respective hand through their authorized representatives and seal the day and year first hereinabove written

SIGNED AND DELIVERED BY  
THE COMMON SEAL of  
Kotak Mahindra Investments Limited  
the within named Company was affixed  
hereunto pursuant to a resolution passed  
by the Board of Directors  
on 18<sup>th</sup> Jan 2014 in the presence of

Mr. Ravi Chugh

Mr. Sandeep Todkar

SIGNED AND DELIVERED BY  
the within named "Trustees"  
Axis Trustee Services Ltd  
by the hands of:

Mr. ANKIT SINGHVI

Its duly Authorised Signatory

In the presence of:

1. PINAL ZATA KIA
2. Mithal Pattani

Pinal  
Pattani

For AXIS TRUSTEE SERVICES LTD.

Ankit Singhvi  
Authorised Signatory

