

To,

Dear Debenture holder,

Subj: Amendment to Debenture Trust Cum Mortgage Deed and Deed of Hypothecation

The Company has issued non-convertible debentures in multiple series / tranches in the same series or reissuance under the same ISIN, in terms of respective Information Memorandum. We note from our Register of debenture holders that as on 31 July 2020 you are, our debenture holder holding debentures as under:

Sr. No.	PAN	ISIN	Face value (Rs. in Lakhs)	Total Outstanding Amount as on 31 July 2020 (Rs. in Lakhs)*
1			1,000,000	
2				
3				
4				
5				

* Total Outstanding amount denotes no. of debenture holders multiplied by face value

The said Debentures are secured by mortgage of Company's immovable property of nominal value and, along with the credit facilities offered by Bank are secured by a first pari-passu charge on book debts/loan receivables of the Company, in favour of Debenture Trustee/Security Trustee i.e. Catalyst Trusteeship Limited (hereinafter referred to as "Debenture Trustee").

The Company has executed a Debenture Trust Cum Mortgage Deed and Deed of Hypothecation with Debenture Trustee for securing its debentures. The Company maintains security cover more than the requirement under various laws and as per the terms and conditions of the issue / sanction at all points in time.

The Company is considering availing of additional financing facilities from NHB/other financial institutions. One of the stipulations/conditions received by the Company from NHB, the regulator of the Company, is to create an exclusive charge on the book debts/loan receivables of the Company.

In view of the above, we propose to modify clause 9 of Schedule II of Debenture Trust Cum Mortgage Deed and clause 9 of the Deed of Hypothecation, to carve out an exclusive charge on the book debts/loan receivables, for securing future borrowings subject to maintenance of the Minimum Security Cover as required under the terms and conditions of the issue/sanction throughout the tenor of the debentures.

The existing clause and the proposed amendment to the same are reproduced below for your ready reference:

	Existing	Clause after proposed amendment
I	Debenture Trust cum Mortgage Deed – Clause 9 of Schedule II	
	<p><u>SECURITY COVER:</u></p> <p>The Company shall during the currency of the Debentures maintain security coverage of at least 1.00 time the value of the said debentures issued and outstanding. The revaluation of property would not be taken into account for determining the security cover.</p>	<p><u>SECURITY COVER:</u></p> <p>The Company shall during the currency of the Debentures maintain security coverage of at least 1.00 time the value of the said debentures issued and outstanding. The revaluation of property would not be taken into account for determining the security cover.</p> <p>No permission / consent would be required from the debenture holders / debenture trustee to securitize or to create further charge on exclusive or pari-passu basis on security, for securing the future borrowings, subject to maintenance of the Minimum Security Cover, mentioned herein, throughout the tenor of the debentures. The company shall inform immediately to the Debenture Trustee, the details of the securitization or creation of charge in favour of other lender, along with a certificate of an independent practicing Chartered Accountant confirming maintenance of minimum security cover after securitization or fresh borrowing and shall also provide details of total amount of borrowing against security of book debts and loan receivables.</p>
II	Deed of Hypothecation – Added proviso to Clause 9 of the Deed	
	<p><u>NEGATIVE COVENANTS:</u></p> <p>The Company hereby irrevocably undertakes with the Trustee that: all Hypothecated Property and all sale realizations and insurance proceeds thereof and all documents under the Security created pursuant to this Deed shall always be kept distinguishable and specifically appropriated to this Security and be dealt with only under the directions of the Trustee and the Company shall not create any Security upon or over the same, or any part thereof (save and except the Permitted Security), nor suffer any such Security or any attachment or distress to affect the same or any part thereof, nor do or allow any thing that may prejudice this Security and the Trustee shall be at liberty to incur all costs and</p>	<p><u>NEGATIVE COVENANTS:</u></p> <p>The Company hereby irrevocably undertakes with the Trustee that: all Hypothecated Property and all sale realizations and insurance proceeds thereof and all documents under the Security created pursuant to this Deed shall always be kept distinguishable and specifically appropriated to this Security and be dealt with only under the directions of the Trustee and the Company shall not create any Security upon or over the same, or any part thereof (save and except the Permitted Security), nor suffer any such Security or any attachment or distress to affect the same or any part thereof, nor do or allow any thing that may prejudice this Security and the Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this Security and to maintain the same undiminished and claim reimbursement thereof as mentioned in Clause 7 (Affirmative Covenants of the Company) of this Deed; and the Company shall not sell, transfer or dispose all or any of the Hypothecated Property other than as permitted under this Deed or the Debenture Trust Deed.</p>

<p>expenses as may be necessary to preserve this Security and to maintain the same undiminished and claim reimbursement thereof as mentioned in Clause 7 (<i>Affirmative Covenants of the Company</i>) of this Deed; and</p> <p>the Company shall not sell, transfer or dispose all or any of the Hypothecated Property other than as permitted under this Deed or the Debenture Trust Deed.</p>	<p>PROVIDED THAT the Company may securitise or create further charge on exclusive or pari-passu basis on security hereby created, for securing the future borrowings, subject to maintenance of the Minimum Security Cover mentioned herein throughout the tenor of the debentures. The Company shall inform immediately to the Debenture Trustee, the details of the securitisation or creation of charge in favour of other lender, along with a certificate of an independent practicing Chartered Accountant confirming maintenance of minimum security cover after securitisation or fresh borrowing and also give the details of total amount of borrowing against security of book debts and loan receivables.</p>
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The asset cover in favour of all secured lenders, including debenture holders, at all times, will be maintained as per the terms of issue. Asset Cover Certificate as on 30 June 2020 is enclosed, for reference.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the above amendment.

Kindly convey your assent/ dissent to the Company, for the aforementioned modification in the Debenture Trust Cum Mortgage Deed and Deed of Hypothecation, and any consequential amendments as may arise or be required, preferably before 20 August 2020.

Consent Letter for the proposed amendment is attached. Please share the signed consent letter. In case consent is given over email please mention contents of consent letter in email.

A generic copy of the aforesaid deeds is available on the website of the Company <https://www.bajajhousingfinance.in/debenture-holder-related-information> till 20 August 2020.

Yours faithfully,

For **BAJAJ HOUSING FINANCE LIMITED**

AUTHORISED SIGNATORY

Encl.: 1. *Asset Cover Certificate by CA*
2. *Consent Format*



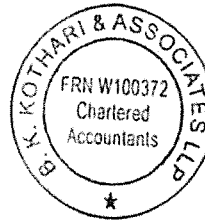
B. K. Kothari & Associates LLP
Chartered Accountants.

TO WHOM SO EVER IT MAY CONCERN

We Have examined the records produced before us of **BAJAJ HOUSING FINANCE LIMITED** and subject to full audit as of 30th June 2020 in accordance with the generally accepted practice on the basis of such tests and checks as we considered appropriate and on the basis of information and explanation given to us, we hereby certify the receivables (Net of Assignments) as on 30th June 2020 was Rs. 28,508.60 Corers as per enclosed annexure.

Further the Company's borrowings as of 30th June 2020 are adequately covered as per the requirements prescribed by banks to cover the loan /borrowings.

Date: July 20, 2020



For B K Kothari & Associates LLP
Chartered Accountants
FRN No. W100372

Bipendra K Kothari
Partner

Membership No. 111529

UDIN: 20111529AAAAEO5018

BAJAJ HOUSING FINANCE LIMITED

July 20, 2020

MANAGEMENT CERTIFICATE

1. The value of Book Debts (Principal outstanding) as on 30th June 2020 is as follows-

Sr. No.	Particular	Amt in Rs.
1	Gross Principal Outstanding*	2,85,28,19,89,633 /-
2	Less Excess money received from customer	19,60,15,405 /-
3	Net Principal Outstanding	2,85,08,59,74,227 /-
5	Cover required based on Utilisation	2,61,55,18,62,100 /-

Note: - *Gross Principal outstanding is on books advances (net off assignments)

2. This has been hypothecated in favor of the Security/Debenture trustee on behalf of various secured lenders on first paripassu basis which is true and said book debts are the absolute property of the Company and that no part of such book debts has been paid for by any parties, the title to which has passed out of Company's hands and that the said receivables are not subject to any lien, claims or damages of any sort and the strength of the declaration of the Company and the advances have been granted
3. No part of the receivables detailed in the statement are on expired cases and does not include NPAs (Non-Performing assets)
4. The receivables are valued at agreement values less installments and advance installments received

For Bajaj Housing Finance Limited



Authorized Signatory.

To
Bajaj Housing Finance Limited
Bajaj Auto Limited Complex,
Mumbai-Pune Road, Akurdi
Pune - 411 035

CONSENT LETTER

In response to the above communication, we hereby give consent to Bajaj Housing Finance Limited/Catalyst Trusteeship Limited, to modify the Debenture Trust Cum Mortgage Deed and Deed of Hypothecation, and carry out any consequential amendments as may arise or be required, to carve out a security for exclusive or pari-passu charge on book-debts/ loan receivables of the Company, for availing additional financing facilities from NHB/other financial institutions subject to maintenance of minimum security cover in favour of debenture trustee as per the terms of issue.

(Signature of debenture holder / Authorized Signatory)

Name of signatory :

Designation :

Date :

Place

