

**B2B- R & MSME Disbursement Documents/Agreements**

S. No	Name of Document
1	CCD2
2	Demand promise Note
3	CCD1
4	OD Facility Agreement – Secured
5	CC Facility Agreement – Secured
6	TL Agreement- Secured
7	Deed of Guarantee
8	Deed of Hypothecation
9	Simple Mortgage Deed- Without Possession
10	Supplemental Mortgage Deed- Without Possession
11	Supplemental Deed of Hypothecation
12	MOE – First time deposit (E_SD1-A-200701 - MOE)
13	Declaration cum confirmation Deed (F_SD1-B- 201701_Declaration[1])

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**D.P. NOTE DELIVERY CUM WAIVER LETTER**

CCD-2

AXIS Bank Ltd.

.....

Dear Sir,

Please take delivery of the accompanying Demand Promissory Note dated ..... **for Rs...../- ( Rupees ..... Only)** made by me/us in favour of AXIS Bank Ltd.

I/We do hereby also waive my/our rights of the presentment of the aforesaid Demand Promissory Note. We further request you to note that we dispense with a notice of dishonour in terms of Section 98(a) of the Negotiable Instruments Act, 1881, and that in the event of payment not being made on demand by us the AXIS Bank Ltd. is at liberty to give time for payment to us without discharging us from liability.

The said Demand Promissory Note shall operate as a continuing security to you to be enforceable for the repayment of the ultimate balance or all sums remaining unpaid under the Credit facility granted now or hereafter; and I/We are to remain liable on the said Demand Promissory Note notwithstanding the fact that by payment made into the Loan account from time to time, the Credit facility may from time to time be reduced or extinguished or even that the balance of the said account(s) may be at credit.

Place:.....

Date:.....

**For M/s .....**

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**DEMAND PROMISSORY NOTE**

Rs. .... /-

ON DEMAND, I/We ..... promise to pay Axis Bank Ltd. or order, the sum of **Rs. ..../- (Rupees ..... Only)** only together with interest from the date hereof, at .....% above Repo Rate (the present Repo Rate being .....%p.a., and present applicable rate of interest (Repo Rate + Spread) is ..... per cent per annum) or such other rate the Bank may fix from time to time, in relation to the Repo Rate , compounding and payable with ..... rests, for value received.

Revenue  
Stamp

For M/s. \_\_\_\_\_

Place:

Date:

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CCD-1 (D)

**JOINT AND SEVERAL DEMAND PROMISSORY NOTE**

Rs. ....

**On Demand We,**

- 1).....
- 2).....
- 3).....
- 4).....

Authorised signatories of M/s ..... jointly and severally promise to pay AXIS Bank Ltd. or order the sum of Rupees ..... for value received along with interest at the rate of .....% above Repo Rate (the present Repo Rate being \_\_\_\_% p.a.) i.e. presently applicable rate of interest (Repo Rate + Spread) is .....percent per annum or such other rate as the Bank may fix from time to time, in relation to the Repo Rate, compounding and payable with .....rests, for value received.

Place: .....

Date: .....

Borrowers .....

Revenue Stamp
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## **B2B- R & MSME Disbursement Documents/Agreements**

### **FOR OD**

*To be stamped as an Agreement cum Indemnity cum Power of Attorney as per state stamp Act*

### **WORKING CAPITAL LOAN AGREEMENT**

This agreement is made at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between such persons, whose name(s) and address(es) are as specified in Sr. No. 3 of the Schedule I (hereinafter referred to as the “**Borrower**”);

**AND**

**AXIS BANK LIMITED**, a company, incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ‘Trishul’, 3<sup>rd</sup> Floor, Opposite Samarsheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and one of the branch offices at the place as specified in Sr. No. 4 of the Schedule I (hereinafter referred to as the “**Bank**” which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns).

(The Borrower and the Bank, wherever the context so admits, are hereinafter individually referred to as “**Party**” and collectively as “**Parties**”)

**WHEREAS** the Borrower has requested the Bank and the Bank has agreed to provide Facility Products upto the limit(s) as specified in Sr. No. 5 of the Schedule I, with full power to the Bank from time to time to renew or reduce or enhance or rollover the limit or altogether withdraw the Facilities at its sole discretion, on the terms and conditions appearing herein and the Sanction Letter details of which are specified in Sr. No. 6 of the Schedule I.

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

#### **1. DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, the capitalised terms shall have the following meanings:

“**Affiliate**” of any specified person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any “**Relative**” (as such expression is defined in the Companies Act, 2013) of such natural person.

“**Agreement**” means this loan agreement for grant of the Facilities executed at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time and shall include the sanction letters subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limit and duly acknowledged by the Borrower.

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**“Applicable Law”** shall include any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, authorization, approval, directive, guideline, policy, requirement, governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or judicial or regulatory authority, whether in effect as of the date of this Agreement or thereafter and in each case as amended, modified or substituted from time to time.

**“Availability Period”** shall have the meaning ascribed to the term in Sr. No. 23 of the Schedule I.

**“Business Day”** means a day on which the Lending Office in respect of the Facilities or through which the Borrower has to make payment or repayment in respect of the Facilities, is open for normal business transactions.

**“CIC”** shall mean and refer to Credit Information Companies as defined under the Credit Information Companies (Regulation) Act, 2005, as amended from time to time.

**“Credit Rating Agency”** shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited [CARE], CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moodys and Standard & Poor’s and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

**“Penal Rate”** shall have the meaning ascribed to the term in Clause 5.3(a).

**“Drawdown Schedule”** shall have the meaning ascribed to the term in Sr. No. 22 of the Schedule I.

**“Drawing Power”** in connection with the Facilities, means the drawing power of the Borrower to make drawals from time to time under each Facility upto the amount of the respective Limits but not exceeding the value of the Security Interest provided to the Bank for such Facility, less the corresponding Margin.

**“Event(s) of Default”** means any of the events or circumstances as specified in Clause 10.1.

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**“Facilities”** means the Facility Products, upto the limit(s) specified in Sr. No. 5 of the Schedule I, granted by the Bank to the Borrower in accordance with the terms of this Agreement and shall include any amount converted into another currency and/or reconverted into Indian rupees in accordance with Clause 4 of this Agreement.

**“Facility Product”** or **“FC Products”** means the facility under this Agreement and the diverse products detailed as per Schedule II of this Agreement.

**“Financing Documents”** means this Agreement, the Sanction Letter, the Security Documents and such other documents as may be executed in connection with the Facilities and shall include any other document designated as such by the Bank.

**“Guarantor(s)”** shall mean all persons who have provided/shall provide a guarantee in favour of the Bank in connection with the Facilities in terms of the Financing Documents.

**“Governmental Authority”** shall mean the Government of India, the government of any state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect control of the Government of India or any the state government or any subdivision of any of them or owned or controlled by the Government of India, the state governments or any of their subdivisions, or any court, tribunal or judicial body within India.

**“Interest Rate”** shall mean the rate of interest as set out in Sr. No. 11 of the Schedule I and as may be reset from time to time in accordance with this Agreement on every Interest Reset Date and shall include the interest rate stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit whether in one single account or multiple accounts.

**“Interest Reset Date”** shall mean:-

Reset once in 3 months, the first day falling after three months from the date of the relevant drawdown and every 3 months thereafter.

**“Lending Office”** shall mean the branch of the Bank as specified in Sr. No. 4 of the Schedule I and shall include any other office or branch of the Bank through which the Facilities is provided by the Bank and such other office or branch as the Bank may nominate.

**“Limits”** shall have the meaning ascribed to it in Sr. No. 5 of Schedule I.

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“**Loan**” means the principal amount outstanding for the time being under the Facilities.

“**Loan Obligations**” shall mean all amounts owing, due or payable to the Bank pursuant to the terms of the Financing Documents, including without limitation:

- (a) the Loan and all interest on the Loan, the Penal Interest, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Borrower, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with any Financing Document;
- (b) any and all sums advanced by the Bank in order to preserve the Security or preserve any of the assets forming part of the Security including but not limited payment of stamp duty, insurance premium, statutory levies; and
- (c) in the event of any proceeding for the collection or enforcement of the Loan Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, all costs and charges incurred by the Bank in case of any proceedings initiated under the Insolvency and Bankruptcy Code 2016, or of any exercise by the Bank of the rights under the Security Documents and/or the other Financing Documents, together with legal fees and court costs.

“**Margin**” shall have the meaning ascribed to it in Clause 4.5 (e) hereof.

“**Material Adverse Effect**” shall mean the effect or consequence of an event or circumstance which in the opinion of the Bank is or likely to have a material and adverse effect on:

- (b) the financial condition, business or operation of the Borrower or any other Obligor;
- (c) the ability of the Borrower or any other Obligor to perform its obligations or exercise its rights under the Financing Documents; or
- (d) the validity or enforceability of any of the Financing Documents (including the ability of the Bank to enforce any of its remedies under any of them).

“**Obligors**” shall mean collectively the Borrower, the Guarantor(s) and the Security Providers.

“**Overall Limits**” shall have the meaning ascribed to it in Sr. No 5 of Schedule I.

“**RBI**” means Reserve Bank of India.



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**“Restricted Payments”** shall mean any of the payment(s) as listed in Sr. No. 25 of the Schedule I

**“Sanction Letter”** shall have the meaning ascribed to the term in Sr. No. 6 of the Schedule I, which expression shall include any amendments or modifications made from to time and shall include the sanction letters subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limits and duly acknowledged by the Borrower.

**“Security”** shall have the meaning ascribed to the term in Clause 7 hereof.

**“Security Documents”** shall mean each of the documents and agreements entered into/ to be entered into by the Security Providers for creating, maintaining and perfecting the Security Interest as contemplated under this Agreement and includes any other instrument, document or deed executed and/or to be executed in connection with or pursuant to any of the foregoing and any other document designated as such by the Bank.

**“Security Interest”** means a mortgage, charge, hypothecation, assignment, pledge, guarantee, , Security Interest, encumbrance, of any kind or nature whatsoever or other security interest or any other security agreement or any other form of security of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract.

**“Security Providers”** means all persons who have created/shall create any Security Interest in favour of the Bank in connection with the Facilities in terms of this Agreement or the Security Documents.

**“Security Undertakings”** means lien (including any statutory or negative lien) deposit arrangement, letter of comfort, preference, priority of any kind or nature whatsoever or other undertakings of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any conditional sale or other title retention agreement

**“Related Party”** shall have the meaning ascribed to it under the Insolvency and Bankruptcy Code, 2016, as amended from time to time.

1.2 In this Agreement, unless the context otherwise requires:

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- (a) Singular shall include plural and the masculine gender shall include the feminine and neutral gender.
- (b) a “**Financing Document**” or any other agreement or instrument is a reference to that Financing Document or other agreement or instrument as amended, supplemented, extended or restated;
- (c) a “**person**” includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
- (d) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (e) a “**Clause**” or “**Schedule**”, is a reference to a clause in, or Schedule to, this Agreement;
- (f) a “**party**” to this Agreement or a “**person**” shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the Financing Documents);
- (g) an “**amendment**” includes a supplement, modification, novation, replacement or re-enactment and “**amended**” is to be construed accordingly;
- (h) an “**authorised signatory**” means a person that has been duly authorised by another person (the “**other person**”) to execute or sign any Financing Document (or other document or notice to be executed or signed by the other person under or in connection with any Financing Document) on behalf of that other person;
- (i) “**control**” includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (j) a provision of law is a reference to that provision as amended or re-enacted;
- (k) words and abbreviations, which have well known technical or trade or commercial meanings are used in the Agreement in accordance with such meanings;

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- (l) a reference to a “month” is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;and
- (m) in the event of any disagreement or dispute between the Bank and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank, as to the materiality or reasonableness of any of the foregoing, shall be final and binding on the Borrower.

### **2. BANK’S AGREEMENT TO LEND AND BORROWER’S AGREEMENT TO BORROW**

- 2.1 The Bank agrees, based on the disbursement request, representations, warranties, covenants and undertakings as contained herein and in the application for availing the Facilities and other documents executed or tendered by the Borrower in relation to the Facilities, to lend at its sole discretion, to the Borrower and the Borrower agrees to borrow from the Bank, the Facilities for an aggregate amount not exceeding the Overall Limits specified in Sr. No. 5 of the Schedule I on the terms and conditions as fully contained in this Agreement.
- 2.2 The Borrower agrees and acknowledges that the Facilities shall be utilised for the purpose specified in Sr. No. 8 of the Schedule I. Under no circumstances shall the Facilities be utilised by the Borrower for, directly or indirectly:
  - (a) subscribing to or purchasing any shares/debentures;
  - (b) extending loans to its Affiliates or making any inter-corporate deposits;
  - (c) entering into any speculative transactions or activities; and
  - (d) carrying out any activities not eligible for bank credit as per RBI Guidelines.
- 2.3 The Bank shall have the right to revise / vary the limits (and any sub-limits thereunder, including interchangeability of the respective sub-limits), Margin, interest rate, concessions etc from time to time, and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement. All outstanding amounts of interest, commission, discount, exchange, service charges and other costs, charges and monies in respect of the respective Facilities, whether debited to the cash credit account or not, shall also be included in determining the availability of the Overall Limits.
- 2.4 In the event any monies are remaining due and payable by the Borrower to the Bank, under the Financing Documents or otherwise, the Bank may, at its sole discretion, reduce the availability of the amounts of the Overall Limits and / or adjust such monies against the respective available Limits and all such adjustments shall be treated as drawals by the Borrower under the Facilities.

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- 2.5 The Borrower shall at all times confine the draws out of the relevant Facilities within the respective sanctioned Limits / Drawing Power, whichever is less. In case of any excess drawal the Borrower shall regularise the accounts forthwith or within such period as may be stipulated by the Bank in its absolute discretion. Provided, however, the Bank may at the specific request of the Borrower and at its own discretion, allow drawals beyond such Drawing Power (provided the Drawing Power is less than the sanctioned Limits) for such period as may be permitted by the Bank. Provided, further, the grant of such excess drawings to the Borrower can be liable to be suspended / discontinued / revoked at anytime by the Bank without any notice to the Borrower. The Borrower shall repay all such excess drawings on demand unless otherwise specified by the Bank. Till repayment of such excess drawings, the excess drawn amounts, or the entire outstanding, shall carry Penal Interest at the discretion of the Bank. All the provisions of the Financing Documents and all securities created, if any, pursuant to the Agreement will extend to cover such excess drawings.
- 2.6 In the event, any of the Facilities are granted on revolving basis then the Borrower shall be entitled, subject to the Availability Period, the available Limits, and that no Event of Default has occurred and is continuing and at the discretion of the Bank, to redraw any amount so repaid.

### **3. FEES, CHARGES, COMMISSION, COSTS AND CLAIMS**

- 3.1 The Borrower, shall bear all charges/fees, including tax, if any, as mentioned in Sr. No. 16 A of the Schedule I, which the Borrower agrees to reimburse to the Bank separately within 7 (seven) Business Days of demand by the Bank.
- 3.2 Without prejudice to the provisions of Clause 3.1 above, the Borrower shall forthwith pay or cause to be paid, all present and future imposts, costs, duties, taxes levies, fees insurance premia and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Facilities, the Financing Documents . In the event the Borrower fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower and the Borrower shall forthwith reimburse the same together with interest at the Penal Rate.
- 3.3 The Bank shall be entitled to debit all amounts due and payable by the Borrower under this Agreement to the Borrower's loan account maintained with the Bank, unless separately reimbursed to the Bank by the Borrower.
- 3.4 All payments by the Borrower under any Transaction Document shall be made free and clear of and without any deduction of tax or levy, except to the extent that the Borrower is required by Applicable Law.
- 3.5 The Borrower agrees that in relation to the non fund based Facility Products which are being provided by the Bank to the Borrower under this Agreement, the Borrower shall pay commission for such Facilities, at such time and at such rate as specified in Sr. No. 5

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of Schedule I hereof or at such other rate as may be intimated by the Bank in writing from time to time.

- 3.6 In the event of any drawals by the Borrower exceeding the Drawing Power / Limits without approval of the Bank, the Bank shall also be entitled to charge at its own discretion such enhanced rates of interest on the entire outstanding or on a portion thereof as it may fix.

### **4. DISBURSEMENT AND SUB-LIMITS**

- 4.1 The Bank shall at its sole discretion disburse the Facilities, in accordance with the terms and conditions of this Agreement, including compliance of the provisions of this Clause 4 to such account as specified in the disbursement request. The Bank at the request of the Borrower make/allow disbursements/drawls under the facilities by issuance of BGs and/or LCs and/or other Facility Products.
- 4.2 The Facilities (either in full or in parts) may be disbursed by the Bank in such currency as specified in Sr. No. 5 of the Schedule, subject to the norms laid down by Reserve Bank of India (RBI) from time to time and the other terms and condition agreed between the Parties, if any. Further, during the tenure of the Facilities, the Bank may, at the request of the Borrower, but however, at its sole discretion, convert any Facilities, either in full or part into any other currency and/or reconvert it into Indian Rupees on such terms and conditions as are acceptable to the Bank and the Borrower. It is clarified and agreed that such conversion /re-conversion shall be governed by the terms and condition as contained in this Agreement unless otherwise agreed in writing between the Bank and the Borrower. The Borrower shall duly indemnify the Bank for any loss suffered by the Bank on account of fluctuation that may take place in the value of foreign currency in which the Facilities is availed and such loss on account of the fluctuations shall form a part of the Loan Obligations. In the event the Loan is converted into any other currency, the Borrower shall hedge the foreign currency exposure, if any through the Bank.
- 4.3 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower agrees and confirms that, Bank may on request being made by the Borrower, at its sole discretion, roll over the foreign currency loan from time to time on such terms and conditions as it may deem fit and such roll over may be effected by the Bank by way of a letter issued by the Bank, carrying such Terms and conditions and accepted by the Borrower, shall be valid and binding on the Borrower at each renewal and such renewal and roll over will be governed by this Agreement mutatis mutandis, except to the extent as amended and modified by such letter referred to in this clause.
- 4.4 In the event the Bank is providing any facilities under this Agreement which are in a currency other than Indian Rupees, the same shall be governed by the terms of this Agreement including additional terms and conditions, if any, specified in Schedule II of this Agreement.
- 4.5 The Bank is entitled to disburse the Facilities granted/to be granted to the Borrower to in a single account or multiple accounts of any Facility Products and this agreement would be valid and binding for all such accounts. It is agreed between the parties that the

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facilities disbursed in such multiple loan accounts may have a varied rate of interest as may be agreed mutually between the parties at the time of each disbursement and as stipulated in the in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limits.

### 4.6 **Sub-Limits**

- (a) The Facility or Facilities constituting sub-Limit within the available Limit of the Facility (hereinafter called the “**Principal Facility**”) under the Agreement shall, to the extent of utilisation, be governed by the terms and conditions applicable to corresponding Facility Product(s), as detailed in Schedule II hereof.

Provided where the Facility or Facilities constituting sub-Limit does / do not correspond to any of the Facility Product(s) as detailed in Schedule II hereof, then the same shall be governed by such terms and conditions as may be stipulated herein or as may be stipulated by the Bank while sanctioning such sub-Limit or from time to time thereafter.

- (b) The Bank may, during the currency of the Agreement, at the request of the Borrower and at its absolute discretion, within the available Limit of the Principal Facility, grant / extend and disburse to the Borrower some other Facility Product(s) of such Limit (hereinafter called “**sub-Limit**”), in part or whole, from any of its Lending Office, on such terms and conditions set out in the Agreement and subject to the Borrower complying with the provisions of the Financing Documents and such further terms and conditions as may be stipulated by the Bank while granting / extending such sub-Limit and from time to time. The Bank shall have the right to revise / vary / rollover the limits (and any sub-limits thereunder, including interchangeability the respective sub-Limits), Margin, interest rate, concessions etc from time to time, in compliance of the applicable regulatory guidelines and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement.
- (c) The Borrower further undertakes to execute a ‘Letter of Acknowledgement of Debt’ in favour of the Bank, whenever the Bank may call upon the Borrower to do so, in such manner and form as the Bank may deem fit.
- (d) At anytime, to the extent of utilisation and outstanding of Facilities or Facilities under respective sub-Limit, the Limit under the Principal Facility shall stand reduced accordingly.
- (e) The Borrower shall, if so required by the Bank, maintain such margin(s) (the “Margin”) in respect of the Facilities as specified in Sr. No. 12 of Schedule I, during the subsistence of the Facilities. The Bank shall be entitled to, at its sole discretion, vary the Margin and the Borrower shall thereafter be bound to maintain such Margin as varied, notwithstanding any Margin earlier agreed.
- (f) The Borrower shall at all times confine the drawals out of the relevant Facilities within the respective sanction limits/Sub-limits.

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### **4.7 Conditions precedent to the initial disbursement under the Facilities:**

Any disbursement by the Bank under this Agreement shall be at its sole discretion. Without prejudice to the foregoing, the Bank may not, disburse any amount under the Facilities if:

- (a) any Event of Default has occurred and is continuing or will result from the proposed disbursement;
- (b) the Borrower has availed facilities from a Related Party and has not submitted an undertaking from such Related Party to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than a bank or a financial institution.

### **4.8 Adjustment of Amounts Payable by Borrower:**

The Bank may deduct from the sums to be lent to the Borrower any imposts, costs, duties, taxes, levies, fees, insurance premia and other charges and expenses (including any penalty thereon, if applicable) then remaining due and payable by the Borrower to the Bank pursuant to this Agreement. The Borrower hereby authorises the Bank to deduct such sums from the amount of the Loan to be disbursed and adjust the amounts deducted against the monies then remaining due and payable by the Borrower to the Bank under or pursuant to this Agreement.

## **5. INTEREST & LOAN ACCOUNT**

### **5.1 Interest**

- (a) The Borrower shall, during the tenor of the Facilities, pay to the Bank, interest on the Facilities, on the dates as specified in Sr. No. 13 of the Schedule I to this Agreement, at such interest rate as more particularly described in Sr. No. 11 of the Schedule I at the prevailing Interest Rate or as may be stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit in multiple accounts. If the Facility(ies) is/are disbursed in multiple tranches in multiple accounts in terms of Clause 4.5 above, the Interest Rate applicable to each of such tranche will be decided at the time of disbursement of such tranche, as may be stipulated in the Sanction Letter.
- (b) The Bank shall have the right to alter the Interest rate or Spread. As per the RBI directives, the banks are free to decide the spread over the external benchmark. However, credit risk premium may undergo change only when borrower's credit assessment undergoes a substantial change as agreed upon in the loan contract. Further, other components of spread including operating cost could be altered once in three years.

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- (c) Upon reset of the Interest Rate or the spread in accordance with this Agreement, the Bank shall notify to the Borrower of such reset and the revised Interest Rate and the Borrower shall, from such date, pay to the Bank interest on the Facilities under the Financing Documents the revised Interest Rate.
- (d) If any interest remains unpaid on the due date, then the unpaid interest shall be compounded monthly
- (e) The Borrower is aware and confirms that the Bank shall be entitled to review and revise the rate of interest at such intervals and/or upon occurrence of such events as mutually agreed between the Parties, and such revised rate of interest shall always be construed as agreed to be paid by the Borrower and shall form part of the Loan Obligations. The Borrower shall be deemed to have notice of change in the rate of interest whenever the change in the rate of interest is displayed/notified at/by the branch of the Bank as specified in Sr. No. 4 of the Schedule I. The Borrower shall be entitled to repay/prepay all amounts outstanding under the Facilities without any prepayment premium in the event of any such change in the rate of interest is not acceptable to the Borrower.
- (f) In case the Loan is disbursed/converted in foreign currency, the Borrower agrees to pay interest on the Loan as mutually agreed between the Parties. The Loan will carry interest linked to LIBOR. The spread over LIBOR shall be decided as per the prevailing market conditions, calculated and payable with monthly rests, or such other rests and rate as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower
- (g) The interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 (three hundred and sixty five) days irrespective of leap year.

### 5.2 Upfront Fees and Other Fees

The Borrower shall pay to the Bank an upfront fee and such other fees as set forth in Sr. No. 16 A/Sr. No. 16 B of the Schedule I on such dates as specified therein.

### 5.3 Penal Interest

- (a) Without prejudice to the obligations of the Borrower under this Agreement and the other Financing Documents, the Borrower shall pay Penal Interest at such rate as specified in Sr. No. 14 of the Schedule I or any other rate as may be communicated by the Bank to the Borrower ("**Penal Rate**") over and above the rate of interest as specified in Sr. No. 11 of the Schedule I on all amounts outstanding under the Facilities upon the failure by the Borrower to pay any Loan Obligations or to comply with any terms and conditions specified in this Agreement. Such Penal Interest will be computed from the respective due date of payment or from the date of non compliance of the terms of this Agreement, as the case may



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be until the date on which the Borrower has repaid /reimbursed such amounts or complied with such terms of this Agreement for which the default had occurred, and shall become payable upon the footing of compound interest with monthly rests as provided in this Agreement and shall be payable by the Borrower immediately on demand by the Bank.

- (b) Provided however, such Penal Interest under this Agreement shall not prevent the Bank from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Bank upon the occurrence of an Event of Default.
- (c) The Borrower acknowledges that the rate of Penal Interest is reasonable and that it represents genuine pre-estimates of the loss expected to be incurred by the Bank in the event of non payment of any monies by the Borrower.

### 5.4 Increased Costs

- (a) The Borrower agrees that upon a demand by the Bank, it shall pay, within such time period as may be required by the Bank in this regard, the amount of any Increased Costs incurred by the Bank as a result of:
  - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation;
  - (ii) Compliance with any law or regulation made before or after the date of this Agreement (including any law or regulation concerning capital adequacy, prudential norms, liquidity, reserve assets or tax) or
  - (iii) in the event of the Bank being called upon to pay any additional amount by the foreign lending agency in terms of their respective financing agreements; or
  - (iv) on account of factors beyond the control of the Bank.
- (b) The Borrower acknowledges that the Rupee Lenders shall have the right to demand and recover any costs from the Borrower which may arise pursuant to provisions of Applicable Law (including capital adequacy or prudential norms).
- (c) For the purposes of this Clause 2.11, "**Increased Costs**" shall mean:
  - (i) a reduction in the rate of return for the Facility or on the Bank's overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by the Bank);
  - (ii) any additional or increased cost including provisioning as may be required under or as may be set out under Applicable Law; or
  - (iii) a reduction of any amount due and payable under this Agreement, which is incurred or suffered by Bank to the extent that it is attributable to the undertaking, funding or performance by the Bank of any of its obligations under this Agreement.

- 5.5 The Borrower acknowledges that the Facilities provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Bank.

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### **6. REPAYMENT**

- 6.1 The Borrower shall repay the Loan on demand and in accordance with the terms of this Agreement. Credit for all payments by cheque, bank draft, RTGS will be given on realisation of the amount or the relative due date, whichever is later. Any payment which is due to be made on a day that is not a Business Day shall be made on the immediately preceding Business Day.
- 6.2 The Borrower agrees to accept the statement of account sent by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any sum claimed to be due by the Bank from the Borrower unless any discrepancy is highlighted by the Borrower within seven (7) Business Days of receipt of the statement.
- 6.3 The Bank may, in its discretion and subject to no Event of Default having occurred and is continuing and at the request of the Borrower, rollover/extend/continue the Facilities or any part thereof for such period and in such event all terms as applicable for such Facilities shall mutatis mutandis apply for the rollover/extended portion of the Facilities.
- 6.4 The Bank may at any time and from time to time, at its sole discretion, review the Facilities or any part thereof and demand repayment along with all interest due and payable and all liabilities and other obligations of the Borrower thereunder to the Bank including interest, and other charges shall become due and payable by the Borrower immediately to the Bank.
- 6.5 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower shall, as may be required by the Bank, repay the Loan or any part thereof so disbursed or converted, in the same currency in which it has been disbursed/converted, as the case may be, or in the Indian Rupee equivalent of the amount disbursed/converted, as the case may be, under the Loan, as on the date of such repayment

### **7. SECURITY**

- 7.1 The repayment of the Loan Obligations to the Bank shall be secured in such manner as specified in Sr. No. 18 of the Schedule I.
- 7.2 The Borrower agrees and undertakes that it shall create and perfect or cause to be created and perfected the security as specified in Sr. No. 18 of the Schedule I and Security Undertakings as specified in Sr. No. 19 of Schedule I (collectively "**Security**"), in such form and manner as may be required by the Bank, having such ranking as specified in Sr. No. 18 of the Schedule I and within such time lines as specified in Sr. No. 18 of the Schedule I.

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- 7.3 The Borrower shall make out a good and marketable title to the properties proposed to be secured in favour of the Bank, and comply with all such procedures for creation and perfection of the Security as may be necessary under Applicable law.
- 7.4 Without prejudice to the rights of the Bank under this Agreement, in the event the Bank is of the view that there is a substantial deterioration in the value of the security which has been provided to the Bank, the Bank may call upon the Borrower to furnish such additional/alternate security as may be required by the Bank and the Borrower agrees and undertakes that it shall create and perfect the security interest over such additional/alternate security, in a form and manner to the satisfaction of the Bank within such time period as may be specified by the Bank in this regard.
- 7.5 In respect of the non-fund based Facility Products which are granted under this Agreement, the Borrower shall deposit sufficient cash or other security as may be acceptable to the Bank as Margin as stipulated in Sr. No. 12 of Schedule I hereof or as may be stipulated, from time to time, by the Bank.
- 7.6 The Borrower agrees that the Bank shall have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in its capacity as "Loss Payee", in relation to the assets of the Borrower, towards the Loan obligations under this agreement.
- 7.7 Security Unaffected:
- a. Security created by the Borrower shall continue to remain unaffected by reason of the Facilities Account being brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower at any time or of its being drawn upon to the full extent and afterwards being brought to credit, and shall continue to be in full force and effect until the payment of all monies due under the Facilities and the Facilities are terminated.
  - b. This Agreement shall be operative for the balance from time to time due by the Borrower to the Bank in the Facilities Account relating to the relevant Facilities and such Facilities Account shall not be considered as closed by reason of such Facilities Account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower and this Agreement will continue to be operative and unaffected until such relevant Facilities are terminated and all monies in respect thereof are repaid in full to the Bank.

## **8. CANCELLATION OF THE FACILITIES**

### **8.1 Illegality**

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If after the date of this Agreement, it is or will become unlawful or contrary to any directive of any applicable agency in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by this Agreement or to fund or maintain any Loan:

- (a) the Bank will notify the Borrower upon becoming aware of that event;
- (b) upon the Bank notifying the Borrower, the undisbursed part of the Facilities will be immediately cancelled; and
- (c) the Borrower shall forthwith repay the Loan Obligations under the Financing Documents.

### **8.2 Automatic Cancellation**

Any part of the Facilities which remains undrawn at the end of the Availability Period shall be automatically and immediately cancelled, unless otherwise agreed by the Bank.

### **8.3 Unconditional Cancellation**

- (a) The Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Facilities at any time during the subsistence of the Facilities, without any prior notice to the Borrower, for any reason whatsoever. In the event of any such cancellation, all the provisions of this Agreement and all other Financing Documents shall continue to be effective and valid and the Borrower shall repay the Loan Obligations in accordance with the terms of this Agreement.

## **9. BORROWER'S REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS:**

9.1 The Borrower makes the following representations and warranties as of the date hereof and which representations shall continue to be made and remain true and correct on each day other than those made as of a particular date, which representations and warranties shall survive the execution of this Agreement and the making of the disbursement as provided under this Agreement till all the Loan Obligations have been repaid in full by the Borrower to the satisfaction of the Bank:

- (a) It has the power and authority to execute deliver and perform its obligations under the Financing Document.
- (b) It is in compliance with all applicable laws and has obtained all clearances and authorisations.

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- (c) Each of the Financing Document when executed by the Borrower constitutes legal, valid and binding obligations of the Borrower, enforceable in accordance with its terms
- (d) The execution and performance of the financing documents do not conflict any other agreements / applicable laws/ its constitutional documents.
- (e) Save as permitted under the Financing Documents, no encumbrance or Security Interest exists or will exist over any of the assets secured/to be secured by the Borrower
- (f) No event of default has occurred or will occur upon execution of / disbursement under the financing documents.
- (g) All information provided to the Bank is true and correct.
- (h) The financial statement delivered to the Bank are its most recent and prepared in accordance with applicable laws and generally acceptable accounting principles. There has been no material change in the financial condition or the operations of the Borrower from the date on which such financial statements were prepared or drawn up
- (i) Save and except as otherwise provided in the Financing Documents, its Loan Obligations under the Financing Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law
- (j) No litigation / arbitration proceedings exists which will have a material adverse effect.
- (k) It does not have any right of immunity from legal proceedings or under contract
- (l) No action has been taken (voluntary or involuntary) for its liquidation / insolvency/restructuring, including under the Insolvency and Bankruptcy Code, 2016.
- (m) It has good and marketable title to its assets over which Security is to be created.
- (n) It has obtained and is validly maintaining all insurances and reinsurances in respect of all its assets in accordance with the Applicable Law.
- (o) There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.
- (p) It hereby agrees and undertakes that no such person whose name is appearing in the list of Wilful defaulters by RBI/CIC/ in any caution list, shall be inducted on its board and that in case, such a person is found to be on its Board, it would take expeditious and effective steps for removal of such person from its Board.

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- (q) All its arrangements with third parties are on arm length basis.
- (r) The Borrower is not affected by any fire, floods, storm, earthquake, embargo, act of God or of the public enemy or other events (whether or not covered by insurance) that could reasonably be expected to have a Material Adverse Effect.
- (s) No director of the Bank is a director, manager, managing agent, employee or guarantor of the Borrower, or of a subsidiary or holding company or other group companies of the Borrower or holds substantial interest, in the Borrower or a subsidiary or the holding company or any other group company of the Borrower. No directors / relative of any other banks or financial institutions holds substantial interest or is interested as director or as a guarantor of the Borrower

### **9.2 Financial Covenants**

The Borrower undertakes that it shall strictly adhere to such financial covenants as specified in Sr. No. 20 of the Schedule I.

### **9.3 Information Covenants:**

- (a) The Borrower shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 9.3, as applicable, and in all cases within 2 (two) Business Days after the Borrower obtains knowledge thereof, the Borrower shall provide the information/ notice to the Bank of the following:
  - i. any change in the shareholding of the Borrower or any change in the constitution of the, as the case may be, or any appointment or removal of key managerial personnel of the Borrower;
  - ii. details of any event, of any litigation, arbitration or administrative proceedings which is likely to result in the occurrence of Material Adverse Effect;
  - iii. the details of any notice of any application made in relation to the Borrower under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Borrower, or for appointment of a receiver in relation to any of assets or business or undertaking of the Borrower;
  - iv. the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);
  - v. any change of corporate name, registered office address, or any similar changes of the Borrower;
  - vi. If any Security is to be created over immoveable property acquired by the Borrower subsequent to the execution of this Agreement, the Borrower shall,

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forthwith upon acquisition of each such immovable property, inform the Bank of the details of the immovable property acquired;

- vii. in the event the Borrower or any of its partners or directors or trustees, as the case may be, become a specified near relative of a director of a banking company/ financial institution, the Borrower shall, notify the Bank of such an event and provide such other details including details of the relationship of the Borrower or any of its partners or directors or trustees, as the case may be, with the director of the banking company/ financial institution, as may be required by the Bank;
  - viii. deliver to the Bank copies of all documents issued by the Borrower to all its creditors or any general class of them at the same time as they are issued;
  - ix. the occurrence or likely occurrence of a Material Adverse Effect.
- (b) The Borrower shall also submit the following information from time to time in such form and manner as may be required by the Bank:
- i. such information, documents or reports (financial or otherwise) as may be required by the Bank from time to time including any information required by the Bank to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available with Bank;
  - ii. submit the following information as required vide RBI circular No. DBOD.No.BP.BC.94/08.12.001/2008-09 dated December 8, 2008 (as may be amended, modified, supplemented from time to time): (i) under Annexure I of the abovementioned circular; (ii) exchange of information with other lenders as required under Annexure II of the abovementioned circular; and (iii) submit a certificate from a company secretary / chartered accountant, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annexure III of the abovementioned circular; and
  - iii. any other information as may be required by the Bank.

### **9.4 Positive Covenants**

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all Loan Obligations to the satisfaction of the Bank, the Borrower shall:

- (a) Comply with all applicable laws and obtain/maintain all authorisations;
- (b) maintain proper books of accounts to accurately reflect its financial condition;

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- (c) obtain prior approval of the Bank for change in its statutory auditors;
- (d) maintain all its property (including its property and assets forming part of the Security) in good working order and habitable condition and adequately insured.
- (e) ensure that the name of the Bank is duly endorsed as the “Beneficiary”/“Loss Payee” on such insurance policies and all renewals thereof in relation to the property and assets forming part of the Security
- (f) amend its constitutional documents as required by the Bank;
- (g) pay all applicable taxes and stamp duty;
- (h) utilise the Facilities only for the purpose it is sanctioned;
- (i) permit the Bank/its employees/consultants to inspect its assets and premises at any time;
- (j) enter into arrangements with third parties only on arm length basis;
- (k) execute or procure the execution of all such documents as the Bank may reasonably consider necessary for giving full effect to each of the Financing Documents;
- (l) get itself rated by a Credit Rating Agency within such period as specified in Sr. No. 24 of the Schedule I;
- (m) co-operate with such auditors as may be appointed by the Bank with a view to obtain specific certificate regarding utilization/diversion/siphoning of funds, provide the necessary information and/or documents as may be required by such auditors, and bear all the expenditure in respect of obtaining the said certificate and agrees to indemnify and keep the Bank indemnified in this regard;
- (n) on a monthly basis, or such other time period as permitted by the Bank in this regard, submit to the Bank, in such form and manner as acceptable to the Bank, a duly signed statement of stocks, receivables, other assets of the Borrower with details of all encumbrances created thereon.

### **9.5 Negative Covenants**

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all the Loan Obligations to the satisfaction of the Bank, the Borrower shall not, without the prior written consent of the Bank `:



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- (a) enter into any scheme of merger, amalgamation, or do a buyback;
- (b) make any Restricted Payments other than permitted under Sr. No. 25 of the Schedule I;
- (c) wind up, liquidate or dissolve its affairs or take any steps for its voluntary winding up or liquidation or dissolution;
- (d) agree, authorise or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a Material Adverse Effect;
- (e) permit any change in the general nature of the business of the Borrower or undertake any expansion or invest in any other entity;
- (f) permit any change in the ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);
- (g) effect any change in its accounting method or policies;
- (h) make any amendments in the Borrower's constitutional documents,;
- (i) avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation and/or provide any loan or advance to any third party, save as permitted under the Sanction Letter;
- (j) encumber or create any Security Interest over the assets of the Borrower, save as permitted under the Sanction Letter;
- (k) pay any commission to its promoters / directors / Security Providers,;
- (l) repay any principal or interest on any loans availed by the Borrower from the shareholders/directors;
- (m) Dispose its assets other than those as permitted by the Bank in writing; and
- (n) shall not utilize the Facilities sanctioned for any purpose other than the end use as permitted in the Sanction Letter;
- (o) change its financial year-end from the date it has currently adopted;
- (p) enter into any contract or similar arrangement whereby its business or operations are managed or controlled, directly or indirectly, by any other person;
- (q) change remuneration of its directors in any manner other than as mandated by legal or regulatory provisions; and
- (r) obtain any facilities from a Related Party unless the Borrower cause such Related Party to submit an undertaking to the Bank confirming that the financial debt

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extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than a bank or a financial institution.

### **10. EVENTS OF DEFAULT**

10.1 The occurrence or likely occurrence of any of the following events and/or circumstances (in the sole decision of the Bank) shall constitute event(s) of default ("**Event(s) of Default**"):

- (a) the Borrower commits any default in the payment of the Loan Obligations or any amount due or any part thereof;
- (b) any Obligor commits any default in the payment of any amount to any person when due or any person demands repayment of the loan or dues of the Obligors ahead of its repayment terms or a moratorium is declared in respect of any indebtedness of the Obligors;
- (c) the Borrower and/or any of the other Obligors defaults in performing any of its obligations under this Agreement or any of the Financing Documents or breaches any of the terms or conditions of this Agreement or any other Financing Documents;
- (d) the Obligors default in performing any of their respective obligations under any agreement between the Obligors and the Bank (excluding the Financing Documents) or between Obligors and any third party;
- (e) any notice / action in relation to actual or threatened liquidation/dissolution/bankruptcy/insolvency/ceasing to carry on business of Borrower / any Obligor (voluntary or involuntary)
- (f) if the Borrower and/or any of the other Obligors changes or threatens to change the general nature or scope of the business ;
- (g) any of the information provided by the Borrower and/or any of the other becomes incorrect or untrue;
- (h) failure by the Borrower and/or any of the other Obligors to create and perfect Security as stipulated in the Agreement;
- (i) any of the Security Documents fails to create the Security Interest or fails to have the priority as stipulated or ceases to be in full force and effect;
- (j) if any circumstance or event occurs which is or is likely to prejudice, impair, imperil, depreciate or jeopardise any security or any part thereof;

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- (k) the value of the any security depreciates entitling the Bank to call for further security and failure of the Borrower and/or any of Security Providers to provide such additional security;
- (l) upon occurrence of any event that has a Material Adverse Effect;
- (m) the Borrower and/or any of the Security Provider fails to create the security as provided herein in accordance with the terms of this Agreement.
- (n) Appointment of Receiver in respect of the property/assets of the Obligors or if any attachment, distress, execution or other process against the any of the Obligors, or any of the Security Interest is enforced or levied upon by any third party (if applicable);
- (o) if the Loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Borrower and sanctioned by the Bank;
- (p) if the Borrower and/or any of the Security Providers, attempts or purports to create any Security Interest (other than as permitted under the Financing Documents) over any of its assets which are charged in favour of the Bank;
- (q) there is any change in the control of the Obligors (directly or indirectly) without the prior consent of the Bank;
- (r) if the Borrower fails to furnish to the Bank detailed end use statement of the Loan as and when so required by the Bank within the time prescribed by the Bank;
- (s) any of the Financing Documents ceases to exist, to be valid, effective, enforceable or is terminated in a manner not in accordance with the terms of that Financing Document;
- (t) any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Borrower and/or any of the Security Providers or any of their assets which has or could reasonably be expected to have a Material Adverse Effect; and
- (u) any person makes or threatens to make any application under the Insolvency and Bankruptcy Code, 2016 and/or any notice is received in relation to the same.

### 10.2 Notice on the happening of an Event of Default

If any event of default or any event which, after the notice or lapse of time or both would constitute an event of default shall have happened, the Borrower shall forthwith give the Bank notice thereof in writing specifying such event of default, or such event. .

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### 10.3 **Consequences of an Event of Default:**

- (a) On and at any time after the occurrence of an Event of Default the Bank shall have the right to forthwith:
  - (i) to declare that all or part of the Loan Obligations be immediately due and payable,;
  - (ii) to recover the entire dues of the Loan,
  - (iii) to cancel the undrawn commitment under the Facilities,
  - (iv) to suspend any withdrawal to be effected in the Facilities account,
  - (v) to enforce the Security,
  - (vi) to exercise such other rights as may be available to the Bank under the Financing Documents and under Applicable Law;
  - (vii) to review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;
  - (viii) to appoint a nominee and/or observer on the Board as may be required by the Bank
  - (ix) to appoint an observer on the Borrower's Board
  - (x) appoint any Person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and/or the assets, including its premises, factories, plants and units, and to report to the Bank.
  - (xi) appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower.
  - (xii) to convert the outstanding loan obligations into equity or other securities. The Borrower shall provide shareholder resolution/ authorization allowing Bank the right to facilitate such conversions
- (b) The Borrower agrees and undertakes not to prevent or obstruct the Bank from taking possession of the assets comprising Security and that the

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Bank's representatives will be entitled to sell, give on rent, or otherwise deal with the assets comprising Security by public or private auction or private treaty, without being liable for any loss, and to apply the net proceeds thereof as specified in the Financing Documents.

- (c) Nothing contained in this clause shall oblige the Bank to sell, hire or deal with any of the assets comprising the Security and or proceed against any of the other Obligors and the Bank shall be entitled to first proceed against the Borrower independent of such other Security or other Obligor. In case of any deficit, the Bank shall be entitled to forthwith recover the deficit amount from the Borrower.
- (d) The Bank may at the risk and cost of the Borrower engage one or more person(s) to collect the Borrower's outstanding and/or to enforce any Security and may furnish to such person the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto as the Bank thinks fit.

### **11. APPOINTMENT OF THE BANK AS THE BORROWER'S ATTORNEY**

The Borrower hereby appoints the Bank as its true and lawful attorney to do and execute for and in the name and on behalf of the Borrower and where the Borrower is more than one individual, jointly and severally, all or any of the acts, deeds and things, specified herein.

### **12. ASSIGNMENT AND TRANSFER**

- 12.1 The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) whole or part of the Loan or any other rights and obligations of the Bank under this Agreement or any other Financing Document to any person/entity (including but not limited to a bank, financial institution, special purpose vehicle or a trust), in a manner or under such terms and conditions as the Bank may decide in its sole discretion without consent of, or prior intimation to, the Borrower.
- 12.2 The Borrower expressly agrees that in the event of sale or transfer as aforesaid, it shall accept such person to whom the Loan is sold or transferred or assigned as the lender under this Agreement and make the repayment of the Loan to such person as may be directed by the Bank, to the extent of the portion of the Loan which has been sold/transferred/assigned.
- 12.3 The Borrower shall not be entitled to directly or indirectly assign, transfer or novate its rights or obligations under this Agreement in part or in whole to any person.

### **13. MISCELLANEOUS**

- 13.1 Notices

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- (a) Communications in writing
  - (i) Any communication to be made under or in connection with the Financing Documents shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier

- (b) Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:

in case of the Borrower: As detailed in Sr. No. 3 of the Schedule I,

in case of the Lender: As detailed in Sr. No. 4 of the Schedule I,

or any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

- (c) Delivery

- (i) All such notices and communications made or delivered by the Bank to the Borrower under or in connection with this Agreement shall be effective (i) if sent by person, when delivered, (ii) if sent by courier, (a) 2 (two) Business Day after deposit with an overnight courier if for inland delivery and (b) 7 (seven) Business Days after deposit with an international courier if for overseas delivery; and (iii) if sent by registered letter when the acknowledgement of delivery is received.

### 13.2 Indemnity for communication through facsimile or email

- (i) The Borrower hereby requests and authorizes the Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Agreement and the other Financing Documents by way of facsimile or email by the Borrower or any of its authorized officers.
- (ii) The Borrower acknowledges that:
  - (A) sending information by facsimile or email is not a secure means of sending information and is aware of the risks involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:

## **B2B- R & MSME Disbursement Documents/Agreements**

1. be fraudulently or mistakenly written, altered or sent; and
2. not be received in whole or in part by the intended recipient.

**(B)** the request to the Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Borrower only.

- (iii) The Borrower further declares and confirms that it is aware that the Bank has agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Borrower providing this indemnity and agreeing, confirming, declaring and indemnifying the Bank hereunder and that the Bank would not have done so in the absence of such indemnity. The provisions of this Clause 13.2 shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Agreement and the other Financing Documents.
- (iv) The Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Bank may from time to time specify and the Borrower shall be responsible for any improper use of such code or test.
- (v) Notwithstanding anything contained herein or elsewhere, the Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Borrower and the Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- (vi) In consideration of the Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Borrower hereby agrees to indemnify the Bank and keep the Bank at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile or email.
- (vii) Upon receipt by the Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Borrower or by any of its authorized officer) shall be deemed (if the Bank chose to act upon the same) to conclusively constitute the mandate of the Borrower, to the Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Borrower or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.

## **B2B- R & MSME Disbursement Documents/Agreements**

(viii) The Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology

### 13.3 Set Off

- (a) The Borrower agrees and acknowledges that the Bank has an absolute right to settle any indebtedness whatsoever owed by the Borrower to the Bank under this Agreement or under any other document/agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower with the Bank without giving prior notice to the Borrower. However, the Bank will intimate the Borrower of such exercise of rights under this Clause 13.3(a). The Bank's rights hereunder shall not be affected by the Borrower's bankruptcy, death or winding-up.
- (b) In addition to Clause 13.3 (a) above, notwithstanding the payment of any of the Loan Obligations under the Facilities, the Borrower hereby expressly gives the Bank the power to appropriate proceeds out of any and all Security Interest created in favour of the Bank under the Security Documents or deposited with it or under its possession or control towards satisfaction of any amounts due to the Bank on account of another agreement or transaction entered into by the Borrower or any of the Affiliates of the Borrower with the Bank.

### 13.4 Severability

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### 13.5 Waiver and Amendments

- (a) No failure to exercise, nor any delay in exercising, on the part of the Bank, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy of the Bank in respect of any other default. The rights and remedies provided in this Agreement are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the Bank's sole discretion.
- (b) No waiver of any provision of, or right, remedy or power under, this Agreement shall be effective unless it is in writing signed by the authorised representative of the relevant party.



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- (c) This Agreement (including the Schedules) may be amended only by mutual written agreement between the Parties.

### 13.6 Governing Law

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

### 13.7 Jurisdiction

- (a) The Borrower agrees that the courts as specified in Sr. No. 28 of the Schedule I shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
- (b) Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

### 13.8 Indemnity

The Borrower shall indemnify and keep the Bank and each of its officers, directors, employees, representatives, legal counsels and agents indemnified, against all actions, suits, proceedings and all costs, charges, expenses, losses, or damages which may be incurred or suffered by the Bank by reason of any false or misleading information given by the Borrower to the Bank hereunder or any breach/default/contravention/non-observance/non-performance by the Borrower of any terms, conditions, agreements and provisions hereunder or under any of the Financing Documents. The amounts payable by the Borrower under this Clause 13.8 shall form part of the Loan Obligations and shall be secured by the Security provided in favour of the Bank.

### 13.9 Disclosure

The Borrower also agrees, undertakes and confirms as under:

- (a) The Borrower understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Bank requires the Borrower's consent for the disclosure by the Bank of, information and data relating to the Borrower, of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
- (b) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by Bank of all or any such:
  - (A) information and data relating to the Borrower;

## **B2B- R & MSME Disbursement Documents/Agreements**

- (B) the information of data relating to the Facilities/Financing Documents;  
and
- (C) default, if any, committed by the Borrower, in discharge of the Borrower's obligations under the Facilities,

as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies (“CIC”) and any other agency authorised in this behalf by Reserve Bank of India (“RBI”) and/or to Information Utilities or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).

- (c) The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct.
- (d) The Borrower also undertakes that:
  - (A) Any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
  - (B) Any CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
- (e) The Borrower agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 13.9 (e) and also the information relating to the conduct of the Borrower’s accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Borrower shall not hold the Bank liable in any manner for use of such information.
- (f) The Borrower agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facilities, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

## **B2B- R & MSME Disbursement Documents/Agreements**

### 13.10 Office of Foreign Assets Control (OFAC) Sanctions

- (a) The Borrower acknowledges that the OFAC Sanctions may become applicable with respect to the Facilities and/or transactions thereunder, including to any documentary credits and/or guarantees issued and/or disbursements and/or payments made by the Bank pursuant to the Agreement. The OFAC Sanctions may pertain, inter alia, to the purpose and end use of the Facilities, goods manufactured in or originated from/through certain countries, shipment from/to/using certain countries, ports, vessels, liners and/or due to involvement of certain persons and entities (including correspondent banks). Consequently, disbursement, issuance, payment and/or processing under the Facilities by the Bank may become subjected to the OFAC Sanctions and the Bank shall have the unconditional right to refuse to process any transactions that violate/may violate any OFAC Sanctions, as it exists from time to time.
- (b) The Borrower agrees to ensure that the transactions entered into pursuant to the Agreement do not violate any OFAC Sanctions and that no Persons, currently subject to any OFAC Sanctions, are involved in any transactions thereunder. The Borrower agrees that it shall not avail of the Facilities or use the proceeds of the Facilities in any transaction with, or for the purpose of financing the activities of, any Person currently subject to any OFAC Sanctions as aforesaid.
- (c) The Borrower shall indemnify and hold harmless the Bank and shall, immediately on demand, pay for / reimburse to the Bank for all losses and liabilities (including due to claims by a third party), incurred by the Bank as a result of any breach by the Borrower of its representations and undertakings contained herein pertaining to the OFAC Sanctions and/or due to any action taken by the Bank pursuant to the OFAC Sanctions.

### 13.11

The Borrower hereby gives specific consent to the Bank/Lender for disclosing / submitting the 'financial information' as defined in Section 3 (13 ) of the Insolvency and Bankruptcy Code, 2016 ( 'Code' for brief ) read with the relevant Regulations/ Rules framed under the Code, as amended and in force from time to time and as specified there under from time to time, in respect of the Credit/ Financial facilities availed from the Bank/ Lender, from time to time, to any 'Information Utility' ( 'IU' for brief ) as defined in Section 3 ( 21 ) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by Reserve Bank of India to the banks from time to time and hereby specifically agree to promptly authenticate the 'financial information submitted by the Bank/Lender, as and when requested by the concerned 'IU' .

### 13.12

All disputes, differences and / or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be

## **B2B- R & MSME Disbursement Documents/Agreements**

referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Lender/Bank, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender/Bank may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held at Mumbai/Delhi/Kolkata/Bangalore/Chennai/Kochi. The arbitral procedure shall be conducted in English.

### 13.13 Entire Agreement

This Agreement shall supersede all prior discussions and representations between the Parties, , save with respect to any terms and conditions contained in the Sanction Letter, which (i) are not expressly included in this Agreement; and/or (ii) are more stringent in comparison to the condition(s) contained in this Agreement, in which case such condition(s) in the Sanction Letter shall be binding on the Parties and shall also be deemed to be included in this Agreement by reference.

**B2B- R & MSME Disbursement Documents/Agreements**

**SCHEDULE I**

[Note: The Schedule I to be suitably modified based on the capacity of the Borrower and the terms of the Sanction Letter. The terms which are not applicable to the Borrower should be marked as 'Not Applicable'.]

<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
1.	Place of Execution	
2.	Date of the Agreement	
3.	Name and Address of the Borrower <sup>1</sup>	(b) In case the Borrower is a company:  [●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.  <ul style="list-style-type: none"><li>• Designation: [●]</li><li>• E-mail : [●]</li><li>• Fax : [●]</li></ul>
4.	Name and address of the Branch of the Bank/Lending Office	

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<sup>1</sup> To be suitably modified based on the capacity of the Borrower

**B2B- R & MSME Disbursement Documents/Agreements**

Sr. No.	Title	Details					
5.	Overall Limit & Details of the Facility Products & Currency	<b>A. Overall Limit :</b>					
		<b>B. Details of Facilities / Break-Up of Overall Limit:</b>					
		<b>Working Capital Product Type</b>	<b>Amount (Rs. in Mn)</b>	<b>Limits /Sub-Limit / interchangeability details</b>	<b>Impost /Commission</b>	<b>Due Date/ On Demand</b>	<b>Frequency</b>
		Cash Credit (CC)	_____	Interchangeable with LC	Interest		
		Working Capital Demand Loan (WCDL)	(_____)	Sub-Limit of CC	Interest		
		Bill Discounting (Bills)	(_____)	Sub-Limit of CC	Discount		
		Letter of Credit (LC)	_____	Interchangeable with CC	Commission		
		Letter of Undertaking (LOU)	(_____)	Sub-Limit of LC	Commission		
		Loan Equivalent Risk (LER)	(_____)	Sub-Limit of LC/ Overall Limit			
Bank Guarantee (BG)	(_____)	Sub-Limit of LC	Commission				
6.	Sanction Letter	Reference no. _____, dated _____					
7.	Nature of the Facilities	Working Capital Loan					
8.	Purpose of the Facilities						
9.	Conditions Precedent to First Disbursement						
10.	Tenure of the Facilities	<b>Facility Product Type</b>	<b>Tenure / Usance Period</b>				
		Letter of Credit (LC)	_____				
		Letter of Undertaking (LOU)	_____				
		Bank Guarantee (BG)	_____				

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Sr. No.	Title	Details			
11.	Interest Rate and Interest Reset & Commission	<b>Facility Product Type</b>	<b>Interest Rate</b>	<b>Interest Reset Date</b>	<b>Commission</b>
		Cash Credit (CC)	Repo Rate +__% (presently Repo Rate at _____% )i.e. applicable rate of interest is _____% p.a. payable at monthly intervals	Interest is to be reset once in 3 months**	N.A
		Working Capital Demand Loan (WCDL)	Repo Rate +__% (presently Repo Rate at _____% )i.e. applicable rate of interest is _____% p.a. payable at monthly intervals	Interest is to be reset once in 3 months**	N.A
** In case of the Rupee Loan, the rate of Interest to be linked to Repo Rate on the date of first disbursement and reset at intervals equivalent to tenure of the Repo Rate.					
12.	Margin				
13.	A) Interest Payment Date	<b>Facility Product Type</b>		<b>Interest Payment Date</b>	
		Cash Credit (CC)		Monthly	
		Working Capital Demand Loan (WCDL)		Monthly	
	(B) Periodicity of Interest Compounding				
14.	Penal Rate	<b>14. A : Penal Rate for delay in creation of Security : [ • ]</b>			

**B2B- R & MSME Disbursement Documents/Agreements**

Sr. No.	Title	Details																												
		<p><b>14. B</b> : Penal Rate for breach of following conditions:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Insert Condition</th> <th>Penal Rate</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>a.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>b.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>c.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>d.</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p><b>14. C</b>: Penal Rate for breach of all other conditions (excluding 14. A and 14. B above): [ • ]</p>				No	Insert Condition	Penal Rate			a.					b.					c.					d.				
No	Insert Condition	Penal Rate																												
a.																														
b.																														
c.																														
d.																														
15.	Prepayment Charges and other terms applicable in relation to prepayment of the Loan	NOT APPLICABLE																												
16	Fees / Charges	<p><b>16.A</b> <u>Upfront / Processing Fees:</u></p> <p><b>16. B</b> <u>Other Charges / Fees :</u></p>																												
17.	Repayment	ON DEMAND																												
18.	Details of the Security, including the ranking and timelines for creation of Security	S. No.	Security	Ranking	Time period																									
		(a)	Simple Mortgage/Equitable Mortgage of property situated at _____, owned by _____																											
		(b)	Hypothecation of _____ assets																											
		(c)	Pledge of shares of _____																											
		(d)	Guarantee of _____																											
19.	Security Undertakings	<p>(a) Negative Lien on .....</p> <p>(b) Non Disposal undertaking in relation to .....% of ..... Equity shares held by .....</p>																												



**B2B- R & MSME Disbursement Documents/Agreements**

Sr. No.	Title	Details			
20.	Financial Covenants				
21.	Commitment Fees	[Not Applicable]			
22.	Drawdown Schedule				
23.	Availability Period				
24.	Time Period for the Credit Rating				
25.	Restricted Payments & Conditions	<b>S. No</b>	<b>Nature of Restricted Payment</b>	<b>Conditions to be satisfied for making Restricted Payments</b>	
26.	Minimum Insurance Cover				
27.	Time Period for Utilization Certificate				
28.	Jurisdiction for Borrower**				

\*\*\*Note : Jurisdiction For **Borrower** (i) If under Sr. No 1 above, 'Place of Execution' is within **North Zone** : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within **South Zone** : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within **East Zone** : Courts/Tribunals in Kolkatta; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in **Mumbai**

## **B2B- R & MSME Disbursement Documents/Agreements**

### **SCHEDULE II**

#### **PROVISIONS RELATING TO OVERDRAFT FACILITY**

1. Overdraft Facility

(a) At the request of the Borrower, the Bank may, at its absolute discretion, agree to extend / grant to the Borrower by way of Running Account, sums to the maximum extent specified in the Agreement.

(b) Hereinafter referred to as "OD" which term includes so much, thereof as may be outstanding from time to time. The Borrower shall make drawals of the Overdraft Facility only through the relevant Facilities Account.

2. Overdraft Facility

Bank shall open an Overdraft Account for the OD Facility as from the execution of the Agreement and the said account will be operated from time to time by the Borrower or on prior approval by the Bank, by any person directed in writing by the Borrower.

3. Interest on Overdraft Facility

(a) Overdraft Facility will carry interest at the rate with such rests described in the Agreement or as decided by the Bank/ RBI from time to time and advised to the Borrower, until the Overdraft Facility is repaid.

(b) The entire principal amount of the Overdraft Facility shall be repaid by the Borrower to the Bank on or before the date mentioned in the Agreement by way of one time payment, if not demanded earlier.

Provided, notwithstanding the above, the Bank may, in its own discretion, without assigning reasons and upon written notice mailed or delivered to the Borrower, cancel the Overdraft Facility granted and demand repayment thereof. Delivery of such notification by the Bank shall constitute sufficient notice of such cancellation, and thereupon the said Overdraft Facility, all interest and other monies due and payable thereon, shall become due and payable by the Borrower immediately to the Bank.

(c) If any interest remains unpaid on the date it is due and payable as per Agreement, then the unpaid interest will carry Penal Interest in accordance with Clause 2.7 (d) herein.

(d) Provided further, notwithstanding the accrual of Penal Interest as stated in Clause (iii) above, the Bank, at its absolute discretion, is entitled to treat the non-payment / non-repayment as constituting "Event of Default" under this Agreement and consequences shall follow accordingly.

4. Other Terms of Overdraft Facility

That the Borrower shall on or before the date stipulated by the Bank so long as the Overdraft Facility Account is in force, show a credit balance of at least such amount as may be indicated by the Bank and maintain such credit balance for at least fifteen days (or such number of days indicated by the Bank) thereafter and the Bank may allow the Overdraft Facility Account to be continued to remain in force for such period as the Bank may deem fit.

**B2B- R & MSME Disbursement Documents/Agreements**

**IN WITNESS WHEREOF** the Borrower has caused this Agreement to be executed on the day, month and year first herein above written, and the Bank has caused this Agreement to be executed by the hand of its authorised officer as hereinafter appearing:<sup>2</sup>

In case the Borrower is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF** [●] having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

[Note : To be suitably modified based on the Articles of Association of the company.]

In case the Borrower is a partnership firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the Borrower by its partners:

(a) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(b) Mr./Ms. [●]

\_\_\_\_\_  
<sup>2</sup> The signing clause to be suitably modified based on the capacity of the Borrower

**B2B- R & MSME Disbursement Documents/Agreements**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(c) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Borrower is a proprietorship concern:

For M/s. [●]

\_\_\_\_\_  
**(Proprietor Signature)**

\_\_\_\_\_  
**(Proprietor Initial)**

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[Note: Both the signature and the initials to be obtained on this page]

In case the Borrower is a HUF:

For [●], a Hindu Undivided Family

\_\_\_\_\_  
(Karta **Signature**)

\_\_\_\_\_  
(Karta **Initial**)

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

In case the Borrower is a Trust/Society:

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

\_\_\_\_\_  
[insert designation]  
**Signature**

\_\_\_\_\_  
[insert designation]  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society. If ]

**B2B- R & MSME Disbursement Documents/Agreements**

**SIGNED AND DELIVERED** by the duly  
authorised signatory of **AXIS BANK**  
**LIMITED**

## **B2B- R & MSME Disbursement Documents/Agreements**

### **For CC**

*To be stamped as an Agreement cum Indemnity cum Power of Attorney as per state stamp Act*

### **WORKING CAPITAL LOAN AGREEMENT**

This agreement is made at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between such persons, whose name(s) and address(es) are as specified in Sr. No. 3 of the Schedule I (hereinafter referred to as the “**Borrower**”);

**AND**

**AXIS BANK LIMITED**, a company, incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ‘Trishul’, 3<sup>rd</sup> Floor, Opposite Samarsheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and one of the branch offices at the place as specified in Sr. No. 4 of the Schedule I (hereinafter referred to as the “**Bank**” which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns).

(The Borrower and the Bank, wherever the context so admits, are hereinafter individually referred to as “**Party**” and collectively as “**Parties**”)

**WHEREAS** the Borrower has requested the Bank and the Bank has agreed to provide Facility Products upto the limit(s) as specified in Sr. No. 5 of the Schedule I, with full power to the Bank from time to time to renew or reduce or enhance or rollover the limit or altogether withdraw the Facilities at its sole discretion, on the terms and conditions appearing herein and the Sanction Letter details of which are specified in Sr. No. 6 of the Schedule I.

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

#### **6. DEFINITIONS AND INTERPRETATION**

6.1 In this Agreement, the capitalised terms shall have the following meanings:

“**Affiliate**” of any specified person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any “**Relative**” (as such expression is defined in the Companies Act, 2013) of such natural person.

“**Agreement**” means this loan agreement for grant of the Facilities executed at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time and shall include the sanction letters subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limit and duly acknowledged by the Borrower.

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**“Applicable Law”** shall include any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, authorization, approval, directive, guideline, policy, requirement, governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or judicial or regulatory authority, whether in effect as of the date of this Agreement or thereafter and in each case as amended, modified or substituted from time to time.

**“Availability Period”** shall have the meaning ascribed to the term in Sr. No. 23 of the Schedule I.

**“Business Day”** means a day on which the Lending Office in respect of the Facilities or through which the Borrower has to make payment or repayment in respect of the Facilities, is open for normal business transactions.

**“CIC”** shall mean and refer to Credit Information Companies as defined under the Credit Information Companies (Regulation) Act, 2005, as amended from time to time.

**“Credit Rating Agency”** shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited [CARE], CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moodys and Standard & Poor’s and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

**“Penal Rate”** shall have the meaning ascribed to the term in Clause 5.3(a).

**“Drawdown Schedule”** shall have the meaning ascribed to the term in Sr. No. 22 of the Schedule I.

**“Drawing Power”** in connection with the Facilities, means the drawing power of the Borrower to make drawals from time to time under each Facility upto the amount of the respective Limits but not exceeding the value of the Security Interest provided to the Bank for such Facility, less the corresponding Margin.

**“Event(s) of Default”** means any of the events or circumstances as specified in Clause 10.1.



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**“Facilities”** means the Facility Products, upto the limit(s) specified in Sr. No. 5 of the Schedule I, granted by the Bank to the Borrower in accordance with the terms of this Agreement and shall include any amount converted into another currency and/or reconverted into Indian rupees in accordance with Clause 4 of this Agreement.

**“Facility Product”** or **“FC Products”** means the facility under this Agreement and the diverse products detailed as per Schedule II of this Agreement.

**“Financing Documents”** means this Agreement, the Sanction Letter, the Security Documents and such other documents as may be executed in connection with the Facilities and shall include any other document designated as such by the Bank.

**“Guarantor(s)”** shall mean all persons who have provided/shall provide a guarantee in favour of the Bank in connection with the Facilities in terms of the Financing Documents.

**“Governmental Authority”** shall mean the Government of India, the government of any state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect control of the Government of India or any the state government or any subdivision of any of them or owned or controlled by the Government of India, the state governments or any of their subdivisions, or any court, tribunal or judicial body within India.

**“Interest Rate”** shall mean the rate of interest as set out in Sr. No. 11 of the Schedule I and as may be reset from time to time in accordance with this Agreement on every Interest Reset Date and shall include the interest rate stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit whether in one single account or multiple accounts.

**“Interest Reset Date”** shall mean:-

Reset once in 3 months, the first day falling after three months from the date of the relevant drawdown and every 3 months thereafter.

**“Lending Office”** shall mean the branch of the Bank as specified in Sr. No. 4 of the Schedule I and shall include any other office or branch of the Bank through which the Facilities is provided by the Bank and such other office or branch as the Bank may nominate.

**“Limits”** shall have the meaning ascribed to it in Sr. No. 5 of Schedule I.

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**“Loan”** means the principal amount outstanding for the time being under the Facilities.

**“Loan Obligations”** shall mean all amounts owing, due or payable to the Bank pursuant to the terms of the Financing Documents, including without limitation:

- (a) the Loan and all interest on the Loan, the Penal Interest, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Borrower, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with any Financing Document;
- (b) any and all sums advanced by the Bank in order to preserve the Security or preserve any of the assets forming part of the Security including but not limited payment of stamp duty, insurance premium, statutory levies; and
- (c) in the event of any proceeding for the collection or enforcement of the Loan Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, all costs and charges incurred by the Bank in case of any proceedings initiated under the Insolvency and Bankruptcy Code 2016, or of any exercise by the Bank of the rights under the Security Documents and/or the other Financing Documents, together with legal fees and court costs.

**“Margin”** shall have the meaning ascribed to it in Clause 4.5 (e) hereof.

**“Material Adverse Effect”** shall mean the effect or consequence of an event or circumstance which in the opinion of the Bank is or likely to have a material and adverse effect on:

- (e) the financial condition, business or operation of the Borrower or any other Obligor;
- (f) the ability of the Borrower or any other Obligor to perform its obligations or exercise its rights under the Financing Documents; or
- (g) the validity or enforceability of any of the Financing Documents (including the ability of the Bank to enforce any of its remedies under any of them).

**“Obligors”** shall mean collectively the Borrower, the Guarantor(s) and the Security Providers.

**“Overall Limits”** shall have the meaning ascribed to it in Sr. No 5 of Schedule I.

**“RBI”** means Reserve Bank of India.

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**“Restricted Payments”** shall mean any of the payment(s) as listed in Sr. No. 25 of the Schedule I

**“Sanction Letter”** shall have the meaning ascribed to the term in Sr. No. 6 of the Schedule I, which expression shall include any amendments or modifications made from to time and shall include the sanction letters subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limits and duly acknowledged by the Borrower.

**“Security”** shall have the meaning ascribed to the term in Clause 7 hereof.

**“Security Documents”** shall mean each of the documents and agreements entered into/ to be entered into by the Security Providers for creating, maintaining and perfecting the Security Interest as contemplated under this Agreement and includes any other instrument, document or deed executed and/or to be executed in connection with or pursuant to any of the foregoing and any other document designated as such by the Bank.

**“Security Interest”** means a mortgage, charge, hypothecation, assignment, pledge, guarantee, , Security Interest, encumbrance, of any kind or nature whatsoever or other security interest or any other security agreement or any other form of security of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract.

**“Security Providers”** means all persons who have created/shall create any Security Interest in favour of the Bank in connection with the Facilities in terms of this Agreement or the Security Documents.

**“Security Undertakings”** means lien (including any statutory or negative lien) deposit arrangement, letter of comfort, preference, priority of any kind or nature whatsoever or other undertakings of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any conditional sale or other title retention agreement

**“Related Party”** shall have the meaning ascribed to it under the Insolvency and Bankruptcy Code, 2016, as amended from time to time.

6.2 In this Agreement, unless the context otherwise requires:

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- (n) Singular shall include plural and the masculine gender shall include the feminine and neutral gender.
- (o) a “**Financing Document**” or any other agreement or instrument is a reference to that Financing Document or other agreement or instrument as amended, supplemented, extended or restated;
- (p) a “**person**” includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
- (q) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (r) a “**Clause**” or “**Schedule**”, is a reference to a clause in, or Schedule to, this Agreement;
- (s) a “**party**” to this Agreement or a “**person**” shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the Financing Documents);
- (t) an “**amendment**” includes a supplement, modification, novation, replacement or re-enactment and “**amended**” is to be construed accordingly;
- (u) an “**authorised signatory**” means a person that has been duly authorised by another person (the “**other person**”) to execute or sign any Financing Document (or other document or notice to be executed or signed by the other person under or in connection with any Financing Document) on behalf of that other person;
- (v) “**control**” includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (w) a provision of law is a reference to that provision as amended or re-enacted;
- (x) words and abbreviations, which have well known technical or trade or commercial meanings are used in the Agreement in accordance with such meanings;

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- (y) a reference to a “month” is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;and
- (z) in the event of any disagreement or dispute between the Bank and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank, as to the materiality or reasonableness of any of the foregoing, shall be final and binding on the Borrower.

### **7. BANK’S AGREEMENT TO LEND AND BORROWER’S AGREEMENT TO BORROW**

- 7.1 The Bank agrees, based on the disbursement request, representations, warranties, covenants and undertakings as contained herein and in the application for availing the Facilities and other documents executed or tendered by the Borrower in relation to the Facilities, to lend at its sole discretion, to the Borrower and the Borrower agrees to borrow from the Bank, the Facilities for an aggregate amount not exceeding the Overall Limits specified in Sr. No. 5 of the Schedule I on the terms and conditions as fully contained in this Agreement.
- 7.2 The Borrower agrees and acknowledges that the Facilities shall be utilised for the purpose specified in Sr. No. 8 of the Schedule I. Under no circumstances shall the Facilities be utilised by the Borrower for, directly or indirectly:
  - (e) subscribing to or purchasing any shares/debentures;
  - (f) extending loans to its Affiliates or making any inter-corporate deposits;
  - (g) entering into any speculative transactions or activities; and
  - (h) carrying out any activities not eligible for bank credit as per RBI Guidelines.
- 7.3 The Bank shall have the right to revise / vary the limits (and any sub-limits thereunder, including interchangeability of the respective sub-limits), Margin, interest rate, concessions etc from time to time, and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement. All outstanding amounts of interest, commission, discount, exchange, service charges and other costs, charges and monies in respect of the respective Facilities, whether debited to the cash credit account or not, shall also be included in determining the availability of the Overall Limits.
- 7.4 In the event any monies are remaining due and payable by the Borrower to the Bank, under the Financing Documents or otherwise, the Bank may, at its sole discretion, reduce the availability of the amounts of the Overall Limits and / or adjust such monies against the respective available Limits and all such adjustments shall be treated as drawals by the Borrower under the Facilities.

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- 7.5 The Borrower shall at all times confine the draws out of the relevant Facilities within the respective sanctioned Limits / Drawing Power, whichever is less. In case of any excess drawal the Borrower shall regularise the accounts forthwith or within such period as may be stipulated by the Bank in its absolute discretion. Provided, however, the Bank may at the specific request of the Borrower and at its own discretion, allow drawals beyond such Drawing Power (provided the Drawing Power is less than the sanctioned Limits) for such period as may be permitted by the Bank. Provided, further, the grant of such excess drawings to the Borrower can be liable to be suspended / discontinued / revoked at anytime by the Bank without any notice to the Borrower. The Borrower shall repay all such excess drawings on demand unless otherwise specified by the Bank. Till repayment of such excess drawings, the excess drawn amounts, or the entire outstanding, shall carry Penal Interest at the discretion of the Bank. All the provisions of the Financing Documents and all securities created, if any, pursuant to the Agreement will extend to cover such excess drawings.
- 7.6 In the event, any of the Facilities are granted on revolving basis then the Borrower shall be entitled, subject to the Availability Period, the available Limits, and that no Event of Default has occurred and is continuing and at the discretion of the Bank, to redraw any amount so repaid.

### **8. FEES, CHARGES, COMMISSION, COSTS AND CLAIMS**

- 8.1 The Borrower, shall bear all charges/fees, including tax, if any, as mentioned in Sr. No. 16 A of the Schedule I, which the Borrower agrees to reimburse to the Bank separately within 7 (seven) Business Days of demand by the Bank.
- 8.2 Without prejudice to the provisions of Clause 3.1 above, the Borrower shall forthwith pay or cause to be paid, all present and future imposts, costs, duties, taxes levies, fees insurance premia and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Facilities, the Financing Documents . In the event the Borrower fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower and the Borrower shall forthwith reimburse the same together with interest at the Penal Rate.
- 8.3 The Bank shall be entitled to debit all amounts due and payable by the Borrower under this Agreement to the Borrower's loan account maintained with the Bank, unless separately reimbursed to the Bank by the Borrower.
- 8.4 All payments by the Borrower under any Transaction Document shall be made free and clear of and without any deduction of tax or levy, except to the extent that the Borrower is required by Applicable Law.
- 8.5 The Borrower agrees that in relation to the non fund based Facility Products which are being provided by the Bank to the Borrower under this Agreement, the Borrower shall pay commission for such Facilities, at such time and at such rate as specified in Sr. No. 5

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of Schedule I hereof or at such other rate as may be intimated by the Bank in writing from time to time.

- 8.6 In the event of any drawals by the Borrower exceeding the Drawing Power / Limits without approval of the Bank, the Bank shall also be entitled to charge at its own discretion such enhanced rates of interest on the entire outstanding or on a portion thereof as it may fix.

### **9. DISBURSEMENT AND SUB-LIMITS**

- 9.1 The Bank shall at its sole discretion disburse the Facilities, in accordance with the terms and conditions of this Agreement, including compliance of the provisions of this Clause 4 to such account as specified in the disbursement request. The Bank at the request of the Borrower make/allow disbursements/drawls under the facilities by issuance of BGs and/or LCs and/or other Facility Products.

- 9.2 The Facilities (either in full or in parts) may be disbursed by the Bank in such currency as specified in Sr. No. 5 of the Schedule, subject to the norms laid down by Reserve Bank of India (RBI) from time to time and the other terms and condition agreed between the Parties, if any. Further, during the tenure of the Facilities, the Bank may, at the request of the Borrower, but however, at its sole discretion, convert any Facilities, either in full or part into any other currency and/or reconvert it into Indian Rupees on such terms and conditions as are acceptable to the Bank and the Borrower. It is clarified and agreed that such conversion /re-conversion shall be governed by the terms and condition as contained in this Agreement unless otherwise agreed in writing between the Bank and the Borrower. The Borrower shall duly indemnify the Bank for any loss suffered by the Bank on account of fluctuation that may take place in the value of foreign currency in which the Facilities is availed and such loss on account of the fluctuation shall form a part of the Loan Obligations. In the event the Loan is converted into any other currency, the Borrower shall hedge the foreign currency exposure, if any through the Bank.

- 9.3 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower agrees and confirms that, Bank may on request being made by the Borrower, at its sole discretion, roll over the foreign currency loan from time to time on such terms and conditions as it may deem fit and such roll over may be effected by the Bank by way of a letter issued by the Bank, carrying such Terms and conditions and accepted by the Borrower, shall be valid and binding on the Borrower at each renewal and such renewal and roll over will be governed by this Agreement mutatis mutandis, except to the extent as amended and modified by such letter referred to in this clause.

- 9.4 In the event the Bank is providing any facilities under this Agreement which are in a currency other than Indian Rupees, the same shall be governed by the terms of this Agreement including additional terms and conditions, if any, specified in Schedule II of this Agreement.

- 9.5 The Bank is entitled to disburse the Facilities granted/to be granted to the Borrower to in a single account or multiple accounts of any Facility Products and this agreement would be valid and binding for all such accounts. It is agreed between the parties that the

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facilities disbursed in such multiple loan accounts may have a varied rate of interest as may be agreed mutually between the parties at the time of each disbursement and as stipulated in the in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limits.

### 9.6 **Sub-Limits**

- (f) The Facility or Facilities constituting sub-Limit within the available Limit of the Facility (hereinafter called the “**Principal Facility**”) under the Agreement shall, to the extent of utilisation, be governed by the terms and conditions applicable to corresponding Facility Product(s), as detailed in Schedule II hereof.

Provided where the Facility or Facilities constituting sub-Limit does / do not correspond to any of the Facility Product(s) as detailed in Schedule II hereof, then the same shall be governed by such terms and conditions as may be stipulated herein or as may be stipulated by the Bank while sanctioning such sub-Limit or from time to time thereafter.

- (g) The Bank may, during the currency of the Agreement, at the request of the Borrower and at its absolute discretion, within the available Limit of the Principal Facility, grant / extend and disburse to the Borrower some other Facility Product(s) of such Limit (hereinafter called “**sub-Limit**”), in part or whole, from any of its Lending Office, on such terms and conditions set out in the Agreement and subject to the Borrower complying with the provisions of the Financing Documents and such further terms and conditions as may be stipulated by the Bank while granting / extending such sub-Limit and from time to time. The Bank shall have the right to revise / vary / rollover the limits (and any sub-limits thereunder, including interchangeability the respective sub-Limits), Margin, interest rate, concessions etc from time to time, in compliance of the applicable regulatory guidelines and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement.
- (h) The Borrower further undertakes to execute a ‘Letter of Acknowledgement of Debt’ in favour of the Bank, whenever the Bank may call upon the Borrower to do so, in such manner and form as the Bank may deem fit.
- (i) At anytime, to the extent of utilisation and outstanding of Facilities or Facilities under respective sub-Limit, the Limit under the Principal Facility shall stand reduced accordingly.
- (j) The Borrower shall, if so required by the Bank, maintain such margin(s) (the “Margin”) in respect of the Facilities as specified in Sr. No. 12 of Schedule I, during the subsistence of the Facilities. The Bank shall be entitled to, at its sole discretion, vary the Margin and the Borrower shall thereafter be bound to maintain such Margin as varied, notwithstanding any Margin earlier agreed.
- (f) The Borrower shall at all times confine the draws out of the relevant Facilities within the respective sanction limits/Sub-limits.



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### **9.7 Conditions precedent to the initial disbursement under the Facilities:**

Any disbursement by the Bank under this Agreement shall be at its sole discretion. Without prejudice to the foregoing, the Bank may not, disburse any amount under the Facilities if:

- (c) any Event of Default has occurred and is continuing or will result from the proposed disbursement;
- (d) the Borrower has availed facilities from a Related Party and has not submitted an undertaking from such Related Party to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than a bank or a financial institution.

### **9.8 Adjustment of Amounts Payable by Borrower:**

The Bank may deduct from the sums to be lent to the Borrower any imposts, costs, duties, taxes, levies, fees, insurance premia and other charges and expenses (including any penalty thereon, if applicable) then remaining due and payable by the Borrower to the Bank pursuant to this Agreement. The Borrower hereby authorises the Bank to deduct such sums from the amount of the Loan to be disbursed and adjust the amounts deducted against the monies then remaining due and payable by the Borrower to the Bank under or pursuant to this Agreement.

## **10. INTEREST & LOAN ACCOUNT**

### **10.1 Interest**

- (h) The Borrower shall, during the tenor of the Facilities, pay to the Bank, interest on the Facilities, on the dates as specified in Sr. No. 13 of the Schedule I to this Agreement, at such interest rate as more particularly described in Sr. No. 11 of the Schedule I at the prevailing Interest Rate or as may be stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit in multiple accounts. If the Facility(ies) is/are disbursed in multiple tranches in multiple accounts in terms of Clause 4.5 above, the Interest Rate applicable to each of such tranche will be decided at the time of disbursement of such tranche, as may be stipulated in the Sanction Letter.
- (i) The Bank shall have the right to alter the Interest rate or Spread. As per the RBI directives, the banks are free to decide the spread over the external benchmark. However, credit risk premium may undergo change only when borrower's credit assessment undergoes a substantial change as agreed upon in the loan contract. Further, other components of spread including operating cost could be altered once in three years.

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- (j) Upon reset of the Interest Rate or the spread in accordance with this Agreement, the Bank shall notify to the Borrower of such reset and the revised Interest Rate and the Borrower shall, from such date, pay to the Bank interest on the Facilities under the Financing Documents the revised Interest Rate.
- (k) If any interest remains unpaid on the due date, then the unpaid interest shall be compounded monthly
- (l) The Borrower is aware and confirms that the Bank shall be entitled to review and revise the rate of interest at such intervals and/or upon occurrence of such events as mutually agreed between the Parties, and such revised rate of interest shall always be construed as agreed to be paid by the Borrower and shall form part of the Loan Obligations. The Borrower shall be deemed to have notice of change in the rate of interest whenever the change in the rate of interest is displayed/notified at/by the branch of the Bank as specified in Sr. No. 4 of the Schedule I. The Borrower shall be entitled to repay/prepay all amounts outstanding under the Facilities without any prepayment premium in the event of any such change in the rate of interest is not acceptable to the Borrower.
- (m) In case the Loan is disbursed/converted in foreign currency, the Borrower agrees to pay interest on the Loan as mutually agreed between the Parties. The Loan will carry interest linked to LIBOR. The spread over LIBOR shall be decided as per the prevailing market conditions, calculated and payable with monthly rests, or such other rests and rate as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower.
- (n) The interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 (three hundred and sixty five) days irrespective of leap year.

### 10.2 Upfront Fees and Other Fees

The Borrower shall pay to the Bank an upfront fee and such other fees as set forth in Sr. No. 16 A/Sr. No. 16 B of the Schedule I on such dates as specified therein.

### 10.3 Penal Interest

- (d) Without prejudice to the obligations of the Borrower under this Agreement and the other Financing Documents, the Borrower shall pay Penal Interest at such rate as specified in Sr. No. 14 of the Schedule I or any other rate as may be communicated by the Bank to the Borrower ("**Penal Rate**") over and above the rate of interest as specified in Sr. No. 11 of the Schedule I on all amounts outstanding under the Facilities upon the failure by the Borrower to pay any Loan Obligations or to comply with

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any terms and conditions specified in this Agreement. Such Penal Interest will be computed from the respective due date of payment or from the date of non compliance of the terms of this Agreement, as the case may be until the date on which the Borrower has repaid /reimbursed such amounts or complied with such terms of this Agreement for which the default had occurred, and shall become payable upon the footing of compound interest with monthly rests as provided in this Agreement and shall be payable by the Borrower immediately on demand by the Bank.

- (e) Provided however, such Penal Interest under this Agreement shall not prevent the Bank from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Bank upon the occurrence of an Event of Default.
- (f) The Borrower acknowledges that the rate of Penal Interest is reasonable and that it represents genuine pre-estimates of the loss expected to be incurred by the Bank in the event of non payment of any monies by the Borrower.

### 10.4 Increased Costs

- (d) The Borrower agrees that upon a demand by the Bank, it shall pay, within such time period as may be required by the Bank in this regard, the amount of any Increased Costs incurred by the Bank as a result of:
  - (v) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation;
  - (vi) Compliance with any law or regulation made before or after the date of this Agreement (including any law or regulation concerning capital adequacy, prudential norms, liquidity, reserve assets or tax) or
  - (vii) in the event of the Bank being called upon to pay any additional amount by the foreign lending agency in terms of their respective financing agreements; or
  - (viii) on account of factors beyond the control of the Bank.
- (e) The Borrower acknowledges that the Rupee Lenders shall have the right to demand and recover any costs from the Borrower which may arise pursuant to provisions of Applicable Law (including capital adequacy or prudential norms).
- (f) For the purposes of this Clause 2.11, "**Increased Costs**" shall mean:
  - (iv) a reduction in the rate of return for the Facility or on the Bank's overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by the Bank);
  - (v) any additional or increased cost including provisioning as may be required under or as may be set out under Applicable Law; or
  - (vi) a reduction of any amount due and payable under this Agreement, which is incurred or suffered by Bank to the extent that it is attributable to the undertaking, funding or performance by the Bank of any of its obligations under this Agreement.

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- 10.5 The Borrower acknowledges that the Facilities provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Bank.

### **7. REPAYMENT**

- 6.6 The Borrower shall repay the Loan on demand and in accordance with the terms of this Agreement. Credit for all payments by cheque, bank draft, RTGS will be given on realisation of the amount or the relative due date, whichever is later. Any payment which is due to be made on a day that is not a Business Day shall be made on the immediately preceding Business Day.
- 6.7 The Borrower agrees to accept the statement of account sent by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any sum claimed to be due by the Bank from the Borrower unless any discrepancy is highlighted by the Borrower within seven (7) Business Days of receipt the statement.
- 6.8 The Bank may, in its discretion and subject to no Event of Default having occurred and is continuing and at the request of the Borrower, rollover/extend/continue the Facilities or any part thereof for such period and in such event all terms as applicable for such Facilities shall mutatis mutandis apply for the rollover/extended portion of the Facilities.
- 6.9 The Bank may at any time and from time to time, at its sole discretion, review the Facilities or any part thereof and demand repayment along with all interest due and payable and all liabilities and other obligations of the Borrower thereunder to the Bank including interest, and other charges shall become due and payable by the Borrower immediately to the Bank.
- 6.10 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower shall, as may be required by the Bank, repay the Loan or any part thereof so disbursed or converted, in the same currency in which it has been disbursed/converted, as the case may be, or in the Indian Rupee equivalent of the amount disbursed/converted, as the case may be, under the Loan, as on the date of such repayment

### **14. SECURITY**

- 14.1 The repayment of the Loan Obligations to the Bank shall be secured in such manner as specified in Sr. No. 18 of the Schedule I.
- 14.2 The Borrower agrees and undertakes that it shall create and perfect or cause to be created and perfected the security as specified in Sr. No. 18 of the Schedule I and Security Undertakings as specified in Sr. No. 19 of Schedule I (collectively

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“Security”), in such form and manner as may be required by the Bank, having such ranking as specified in Sr. No. 18 of the Schedule I and within such time lines as specified in Sr. No. 18 of the Schedule I.

- 14.3 The Borrower shall make out a good and marketable title to the properties proposed to be secured in favour of the Bank, and comply with all such procedures for creation and perfection of the Security as may be necessary under Applicable law.
- 14.4 Without prejudice to the rights of the Bank under this Agreement, in the event the Bank is of the view that there is a substantial deterioration in the value of the security which has been provided to the Bank, the Bank may call upon the Borrower to furnish such additional/alternate security as may be required by the Bank and the Borrower agrees and undertakes that it shall create and perfect the security interest over such additional/alternate security, in a form and manner to the satisfaction of the Bank within such time period as may be specified by the Bank in this regard.
- 14.5 In respect of the non-fund based Facility Products which are granted under this Agreement, the Borrower shall deposit sufficient cash or other security as may be acceptable to the Bank as Margin as stipulated in Sr. No. 12 of Schedule I hereof or as may be stipulated, from time to time, by the Bank.
- 14.6 The Borrower agrees that the Bank shall have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in its capacity as “Loss Payee”, in relation to the assets of the Borrower, towards the Loan obligations under this agreement.
- 14.7 Security Unaffected:
  - c. Security created by the Borrower shall continue to remain unaffected by reason of the Facilities Account being brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower at any time or of its being drawn upon to the full extent and afterwards being brought to credit, and shall continue to be in full force and effect until the payment of all monies due under the Facilities and the Facilities are terminated.
  - d. This Agreement shall be operative for the balance from time to time due by the Borrower to the Bank in the Facilities Account relating to the relevant Facilities and such Facilities Account shall not be considered as closed by reason of such Facilities Account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower and this Agreement will continue to be operative and unaffected until such relevant Facilities are terminated and all monies in respect thereof are repaid in full to the Bank.

## **15. CANCELLATION OF THE FACILITIES**

## **B2B- R & MSME Disbursement Documents/Agreements**

### 15.1 Illegality

If after the date of this Agreement, it is or will become unlawful or contrary to any directive of any applicable agency in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by this Agreement or to fund or maintain any Loan:

- (d) the Bank will notify the Borrower upon becoming aware of that event;
- (e) upon the Bank notifying the Borrower, the undisbursed part of the Facilities will be immediately cancelled; and
- (f) the Borrower shall forthwith repay the Loan Obligations under the Financing Documents.

### 15.2 Automatic Cancellation

Any part of the Facilities which remains undrawn at the end of the Availability Period shall be automatically and immediately cancelled, unless otherwise agreed by the Bank.

### 15.3 Unconditional Cancellation

- (b) The Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Facilities at any time during the subsistence of the Facilities, without any prior notice to the Borrower, for any reason whatsoever. In the event of any such cancellation, all the provisions of this Agreement and all other Financing Documents shall continue to be effective and valid and the Borrower shall repay the Loan Obligations in accordance with the terms of this Agreement.

## **16. BORROWER'S REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS:**

16.1 The Borrower makes the following representations and warranties as of the date hereof and which representations shall continue to be made and remain true and correct on each day other than those made as of a particular date, which representations and warranties shall survive the execution of this Agreement and the making of the disbursement as provided under this Agreement till all the Loan Obligations have been repaid in full by the Borrower to the satisfaction of the Bank:

- (t) It has the power and authority to execute deliver and perform its obligations under the Financing Document.

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- (u) It is in compliance with all applicable laws and has obtained all clearances and authorisations.
- (v) Each of the Financing Document when executed by the Borrower constitutes legal, valid and binding obligations of the Borrower, enforceable in accordance with its terms
- (w) The execution and performance of the financing documents do not conflict any other agreements / applicable laws/ its constitutional documents.
- (x) Save as permitted under the Financing Documents, no encumbrance or Security Interest exists or will exist over any of the assets secured/to be secured by the Borrower
- (y) No event of default has occurred or will occur upon execution of / disbursement under the financing documents.
- (z) All information provided to the Bank is true and correct.
- (aa) The financial statement delivered to the Bank are its most recent and prepared in accordance with applicable laws and generally acceptable accounting principles. There has been no material change in the financial condition or the operations of the Borrower from the date on which such financial statements were prepared or drawn up
- (bb) Save and except as otherwise provided in the Financing Documents, its Loan Obligations under the Financing Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law
- (cc) No litigation / arbitration proceedings exists which will have a material adverse effect.
- (dd) It does not have any right of immunity from legal proceedings or under contract
- (ee) No action has been taken (voluntary or involuntary) for its liquidation / insolvency/restructuring, including under the Insolvency and Bankruptcy Code, 2016.
- (ff) It has good and marketable title to its assets over which Security is to be created.
- (gg) It has obtained and is validly maintaining all insurances and reinsurances in respect of all its assets in accordance with the Applicable Law.
- (hh) There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.

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- (ii) It hereby agrees and undertakes that no such person whose name is appearing in the list of Wilful defaulters by RBI/CIC/ in any caution list, shall be inducted on its board and that in case, such a person is found to be on its Board, it would take expeditious and effective steps for removal of such person from its Board.
- (jj) All its arrangements with third parties are on arm length basis.
- (kk) The Borrower is not affected by any fire, floods, storm, earthquake, embargo, act of God or of the public enemy or other events (whether or not covered by insurance) that could reasonably be expected to have a Material Adverse Effect.
- (ll) No director of the Bank is a director, manager, managing agent, employee or guarantor of the Borrower, or of a subsidiary or holding company or other group companies of the Borrower or holds substantial interest, in the Borrower or a subsidiary or the holding company or any other group company of the Borrower. No directors / relative of any other banks or financial institutions holds substantial interest or is interested as director or as a guarantor of the Borrower

### **16.2 Financial Covenants**

The Borrower undertakes that it shall strictly adhere to such financial covenants as specified in Sr. No. 20 of the Schedule I.

### **16.3 Information Covenants:**

- (a) The Borrower shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 9.3, as applicable, and in all cases within 2 (two) Business Days after the Borrower obtains knowledge thereof, the Borrower shall provide the information/ notice to the Bank of the following:
  - x. any change in the shareholding of the Borrower or any change in the constitution of the, as the case may be, or any appointment or removal of key managerial personnel of the Borrower;
  - xi. details of any event, of any litigation, arbitration or administrative proceedings which is likely to result in the occurrence of Material Adverse Effect;
  - xii. the details of any notice of any application made in relation to the Borrower under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Borrower, or for appointment of a receiver in relation to any of assets or business or undertaking of the Borrower;
  - xiii. the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);



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- xiv. any change of corporate name, registered office address, or any similar changes of the Borrower;
  - xv. If any Security is to be created over immoveable property acquired by the Borrower subsequent to the execution of this Agreement, the Borrower shall, forthwith upon acquisition of each such immoveable property, inform the Bank of the details of the immoveable property acquired;
  - xvi. in the event the Borrower or any of its partners or directors or trustees, as the case may be, become a specified near relative of a director of a banking company/ financial institution, the Borrower shall, notify the Bank of such an event and provide such other details including details of the relationship of the Borrower or any of its partners or directors or trustees, as the case may be, with the director of the banking company/ financial institution, as may be required by the Bank;
  - xvii. deliver to the Bank copies of all documents issued by the Borrower to all its creditors or any general class of them at the same time as they are issued;
  - xviii. the occurrence or likely occurrence of a Material Adverse Effect.
- (b) The Borrower shall also submit the following information from time to time in such form and manner as may be required by the Bank:
- iv. such information, documents or reports (financial or otherwise) as may be required by the Bank from time to time including any information required by the Bank to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available with Bank;
  - v. submit the following information as required vide RBI circular No. DBOD.No.BP.BC.94/08.12.001/2008-09 dated December 8, 2008 (as may be amended, modified, supplemented from time to time): (i) under Annexure I of the abovementioned circular; (ii) exchange of information with other lenders as required under Annexure II of the abovementioned circular; and (iii) submit a certificate from a company secretary / chartered accountant, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annexure III of the abovementioned circular; and
  - vi. any other information as may be required by the Bank.

### **16.4 Positive Covenants**

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all Loan Obligations to the satisfaction of the Bank, the Borrower shall:

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- (o) Comply with all applicable laws and obtain/maintain all authorisations;
- (p) maintain proper books of accounts to accurately reflect its financial condition;
- (q) obtain prior approval of the Bank for change in its statutory auditors;
- (r) maintain all its property (including its property and assets forming part of the Security) in good working order and habitable condition and adequately insured.
- (s) ensure that the name of the Bank is duly endorsed as the “Beneficiary”/“Loss Payee” on such insurance policies and all renewals thereof in relation to the property and assets forming part of the Security
- (t) amend its constitutional documents as required by the Bank;
- (u) pay all applicable taxes and stamp duty;
- (v) utilise the Facilities only for the purpose it is sanctioned;
- (w) permit the Bank/its employees/consultants to inspect its assets and premises at any time;
- (x) enter into arrangements with third parties only on arm length basis;
- (y) execute or procure the execution of all such documents as the Bank may reasonably consider necessary for giving full effect to each of the Financing Documents;
- (z) get itself rated by a Credit Rating Agency within such period as specified in Sr. No . 24 of the Schedule I;
- (aa)co-operate with such auditors as may be appointed by the Bank with a view to obtain specific certificate regarding utilization/diversion/siphoning of funds, provide the necessary information and/or documents as may be required by such auditors, and bear all the expenditure in respect of obtaining the said certificate and agrees to indemnify and keep the Bank indemnified in this regard;
- (bb) on a monthly basis, or such other time period as permitted by the Bank in this regard, submit to the Bank, in such form and manner as acceptable to the Bank, a duly signed statement of stocks, receivables, other assets of the Borrower with details of all encumbrances created thereon.

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### **16.5 Negative Covenants**

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all the Loan Obligations to the satisfaction of the Bank, the Borrower shall not, without the prior written consent of the Bank `:

- (s) enter into any scheme of merger, amalgamation, or do a buyback;
- (t) make any Restricted Payments other than permitted under Sr. No. 25 of the Schedule I;
- (u) wind up, liquidate or dissolve its affairs or take any steps for its voluntary winding up or liquidation or dissolution;
- (v) agree, authorise or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a Material Adverse Effect;
- (w) permit any change in the general nature of the business of the Borrower or undertake any expansion or invest in any other entity;
- (x) permit any change in the ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);
- (y) effect any change in its accounting method or policies;
- (z) make any amendments in the Borrower's constitutional documents,;
- (aa) avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation and/or provide any loan or advance to any third party, save as permitted under the Sanction Letter;
- (bb) encumber or create any Security Interest over the assets of the Borrower, save as permitted under the Sanction Letter;
- (cc) pay any commission to its promoters / directors / Security Providers,;
- (dd) repay any principal or interest on any loans availed by the Borrower from the shareholders/directors;
- (ee) Dispose its assets other than those as permitted by the Bank in writing; and
- (ff) shall not utilize the Facilities sanctioned for any purpose other than the end use as permitted in the Sanction Letter;
- (gg) change its financial year-end from the date it has currently adopted;
- (hh) enter into any contract or similar arrangement whereby its business or operations are managed or controlled, directly or indirectly, by any other person;

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- (ii) change remuneration of its directors in any manner other than as mandated by legal or regulatory provisions; and
- (jj) obtain any facilities from a Related Party unless the Borrower cause such Related Party to submit an undertaking to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than a bank or a financial institution.

### **17. EVENTS OF DEFAULT**

17.1 The occurrence or likely occurrence of any of the following events and/or circumstances (in the sole decision of the Bank) shall constitute event(s) of default ("**Event(s) of Default**"):

- (v) the Borrower commits any default in the payment of the Loan Obligations or any amount due or any part thereof;
- (w) any Obligor commits any default in the payment of any amount to any person when due or any person demands repayment of the loan or dues of the Obligors ahead of its repayment terms or a moratorium is declared in respect of any indebtedness of the Obligors;
- (x) the Borrower and/or any of the other Obligors defaults in performing any of its obligations under this Agreement or any of the Financing Documents or breaches any of the terms or conditions of this Agreement or any other Financing Documents;
- (y) the Obligors default in performing any of their respective obligations under any agreement between the Obligors and the Bank (excluding the Financing Documents) or between Obligors and any third party;
- (z) any notice / action in relation to actual or threatened liquidation/dissolution/bankruptcy/insolvency/ceasing to carry on business of Borrower / any Obligor (voluntary or involuntary)
- (aa) if the Borrower and/or any of the other Obligors changes or threatens to change the general nature or scope of the business ;
- (bb) any of the information provided by the Borrower and/or any of the other becomes incorrect or untrue;
- (cc) failure by the Borrower and/or any of the other Obligors to create and perfect Security as stipulated in the Agreement;
- (dd) any of the Security Documents fails to create the Security Interest or fails to have the priority as stipulated or ceases to be in full force and effect;

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- (ee) if any circumstance or event occurs which is or is likely to prejudice, impair, imperil, depreciate or jeopardise any security or any part thereof;
- (ff) the value of the any security depreciates entitling the Bank to call for further security and failure of the Borrower and/or any of Security Providers to provide such additional security;
- (gg) upon occurrence of any event that has a Material Adverse Effect;
- (hh) the Borrower and/or any of the Security Provider fails to create the security as provided herein in accordance with the terms of this Agreement.
- (ii) Appointment of Receiver in respect of the property/assets of the Obligors or if any attachment, distress, execution or other process against the any of the Obligors, or any of the Security Interest is enforced or levied upon by any third party (if applicable);
- (jj) if the Loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Borrower and sanctioned by the Bank;
- (kk) if the Borrower and/or any of the Security Providers, attempts or purports to create any Security Interest (other than as permitted under the Financing Documents) over any of its assets which are charged in favour of the Bank;
- (ll) there is any change in the control of the Obligors (directly or indirectly) without the prior consent of the Bank;
- (mm) if the Borrower fails to furnish to the Bank detailed end use statement of the Loan as and when so required by the Bank within the time prescribed by the Bank;
- (nn) any of the Financing Documents ceases to exist, to be valid, effective, enforceable or is terminated in a manner not in accordance with the terms of that Financing Document;
- (oo) any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Borrower and/or any of the Security Providers or any of their assets which has or could reasonably be expected to have a Material Adverse Effect; and
- (pp) any person makes or threatens to make any application under the Insolvency and Bankruptcy Code, 2016 and/or any notice is received in relation to the same.

### 17.2 Notice on the happening of an Event of Default

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If any event of default or any event which, after the notice or lapse of time or both would constitute an event of default shall have happened, the Borrower shall forthwith give the Bank notice thereof in writing specifying such event of default, or such event. .

### **17.3 Consequences of an Event of Default:**

- (e) On and at any time after the occurrence of an Event of Default the Bank shall have the right to forthwith:
  - (j) to declare that all or part of the Loan Obligations be immediately due and payable,;
  - (xiii) to recover the entire dues of the Loan,
  - (xiv) to cancel the undrawn commitment under the Facilities,
  - (xv) to suspend any withdrawal to be effected in the Facilities account,
  - (xvi) to enforce the Security,
  - (xvii) to exercise such other rights as may be available to the Bank under the Financing Documents and under Applicable Law;
  - (xviii) to review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;
  - (xix) to appoint a nominee and/or observer on the Board as may be required by the Bank
  - (xx) to appoint an observer on the Borrower's Board
  - (xxi) appoint any Person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and/or the assets, including its premises, factories, plants and units, and to report to the Bank.
  - (xxii) appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower.
  - (xxiii) to convert the outstanding loan obligations into equity or other securities. The Borrower shall provide shareholder resolution/

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authorization allowing Bank the right to facilitate such conversions

- (f) The Borrower agrees and undertakes not to prevent or obstruct the Bank from taking possession of the assets comprising Security and that the Bank's representatives will be entitled to sell, give on rent, or otherwise deal with the assets comprising Security by public or private auction or private treaty, without being liable for any loss, and to apply the net proceeds thereof as specified in the Financing Documents.
- (g) Nothing contained in this clause shall oblige the Bank to sell, hire or deal with any of the assets comprising the Security and or proceed against any of the other Obligors and the Bank shall be entitled to first proceed against the Borrower independent of such other Security or other Obligor. In case of any deficit, the Bank shall be entitled to forthwith recover the deficit amount from the Borrower.
- (h) The Bank may at the risk and cost of the Borrower engage one or more person(s) to collect the Borrower's outstanding and/or to enforce any Security and may furnish to such person the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto as the Bank thinks fit.

### **18. APPOINTMENT OF THE BANK AS THE BORROWER'S ATTORNEY**

The Borrower hereby appoints the Bank as its true and lawful attorney to do and execute for and in the name and on behalf of the Borrower and where the Borrower is more than one individual, jointly and severally, all or any of the acts, deeds and things, specified herein.

### **19. ASSIGNMENT AND TRANSFER**

- 19.1 The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) whole or part of the Loan or any other rights and obligations of the Bank under this Agreement or any other Financing Document to any person/entity (including but not limited to a bank, financial institution, special purpose vehicle or a trust), in a manner or under such terms and conditions as the Bank may decide in its sole discretion without consent of, or prior intimation to, the Borrower.
- 19.2 The Borrower expressly agrees that in the event of sale or transfer as aforesaid, it shall accept such person to whom the Loan is sold or transferred or assigned as the lender under this Agreement and make the repayment of the Loan to such person as may be directed by the Bank, to the extent of the portion of the Loan which has been sold/transferred/assigned.
- 19.3 The Borrower shall not be entitled to directly or indirectly assign, transfer or novate its rights or obligations under this Agreement in part or in whole to any person.

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### **20. MISCELLANEOUS**

#### **20.1 Notices**

(d) Communications in writing

(j) Any communication to be made under or in connection with the Financing Documents shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier

(e) Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:

in case of the Borrower: As detailed in Sr. No. 3 of the Schedule I,

in case of the Lender: As detailed in Sr. No. 4 of the Schedule I,

or any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

(f) Delivery

(ii) All such notices and communications made or delivered by the Bank to the Borrower under or in connection with this Agreement shall be effective (i) if sent by person, when delivered, (ii) if sent by courier, (a) 2 (two) Business Day after deposit with an overnight courier if for inland delivery and (b) 7 (seven) Business Days after deposit with an international courier if for overseas delivery; and (iii) if sent by registered letter when the acknowledgement of delivery is received.

#### **20.2 Indemnity for communication through facsimile or email**

(ix) The Borrower hereby requests and authorizes the Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Agreement and the other Financing Documents by way of facsimile or email by the Borrower or any of its authorized officers.

(x) The Borrower acknowledges that:



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- (A) sending information by facsimile or email is not a secure means of sending information and is aware of the risks involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:
3. be fraudulently or mistakenly written, altered or sent; and
  4. not be received in whole or in part by the intended recipient.
- (B) the request to the Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Borrower only.
- (xi) The Borrower further declares and confirms that it is aware that the Bank has agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Borrower providing this indemnity and agreeing, confirming, declaring and indemnifying the Bank hereunder and that the Bank would not have done so in the absence of such indemnity. The provisions of this Clause 13.2 shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Agreement and the other Financing Documents.
- (xii) The Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Bank may from time to time specify and the Borrower shall be responsible for any improper use of such code or test.
- (xiii) Notwithstanding anything contained herein or elsewhere, the Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Borrower and the Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- (xiv) In consideration of the Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Borrower hereby agrees to indemnify the Bank and keep the Bank at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile or email.
- (xv) Upon receipt by the Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Borrower or by any of its authorized officer) shall be deemed (if the Bank chose to act upon the same) to conclusively constitute the mandate of the Borrower, to the Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Borrower or any of its authorized officers or may

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have been altered, misunderstood or distorted in any manner in the course of communication.

- (xvi) The Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology

### 20.3 Set Off

- (c) The Borrower agrees and acknowledges that the Bank has an absolute right to settle any indebtedness whatsoever owed by the Borrower to the Bank under this Agreement or under any other document/agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower with the Bank without giving prior notice to the Borrower. However, the Bank will intimate the Borrower of such exercise of rights under this Clause 13.3(a). The Bank's rights hereunder shall not be affected by the Borrower's bankruptcy, death or winding-up.
- (d) In addition to Clause 13.3 (a) above, notwithstanding the payment of any of the Loan Obligations under the Facilities, the Borrower hereby expressly gives the Bank the power to appropriate proceeds out of any and all Security Interest created in favour of the Bank under the Security Documents or deposited with it or under its possession or control towards satisfaction of any amounts due to the Bank on account of another agreement or transaction entered into by the Borrower or any of the Affiliates of the Borrower with the Bank.

### 20.4 Severability

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### 20.5 Waiver and Amendments

- (d) No failure to exercise, nor any delay in exercising, on the part of the Bank, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy of the Bank in respect of any other default. The rights and remedies provided in this Agreement are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the Bank's sole discretion.

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- (e) No waiver of any provision of, or right, remedy or power under, this Agreement shall be effective unless it is in writing signed by the authorised representative of the relevant party.
- (f) This Agreement (including the Schedules) may be amended only by mutual written agreement between the Parties.

### 20.6 Governing Law

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

### 20.7 Jurisdiction

- (c) The Borrower agrees that the courts as specified in Sr. No. 28 of the Schedule I shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
- (d) Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

### 20.8 Indemnity

The Borrower shall indemnify and keep the Bank and each of its officers, directors, employees, representatives, legal counsels and agents indemnified, against all actions, suits, proceedings and all costs, charges, expenses, losses, or damages which may be incurred or suffered by the Bank by reason of any false or misleading information given by the Borrower to the Bank hereunder or any breach/default/contravention/non-observance/non-performance by the Borrower of any terms, conditions, agreements and provisions hereunder or under any of the Financing Documents. The amounts payable by the Borrower under this Clause 13.8 shall form part of the Loan Obligations and shall be secured by the Security provided in favour of the Bank.

### 20.9 Disclosure

The Borrower also agrees, undertakes and confirms as under:

- (g) The Borrower understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Bank requires the Borrower's consent for the disclosure by the Bank of, information and data relating to the Borrower, of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
- (h) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by Bank of all or any such:

## **B2B- R & MSME Disbursement Documents/Agreements**

- (D) information and data relating to the Borrower;
- (E) the information of data relating to the Facilities/Financing Documents;  
and
- (F) default, if any, committed by the Borrower, in discharge of the Borrower's obligations under the Facilities,

as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies (“CIC”) and any other agency authorised in this behalf by Reserve Bank of India (“RBI”) and/or to Information Utilities or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).

- (i) The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct.
- (j) The Borrower also undertakes that:
  - (C) Any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
  - (D) Any CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
- (k) The Borrower agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 13.9 (e) and also the information relating to the conduct of the Borrower’s accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Borrower shall not hold the Bank liable in any manner for use of such information.
- (l) The Borrower agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facilities, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters,

## **B2B- R & MSME Disbursement Documents/Agreements**

in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

### 20.10 Office of Foreign Assets Control (OFAC) Sanctions

- (a) The Borrower acknowledges that the OFAC Sanctions may become applicable with respect to the Facilities and/or transactions thereunder, including to any documentary credits and/or guarantees issued and/or disbursements and/or payments made by the Bank pursuant to the Agreement. The OFAC Sanctions may pertain, inter alia, to the purpose and end use of the Facilities, goods manufactured in or originated from/through certain countries, shipment from/to/using certain countries, ports, vessels, liners and/or due to involvement of certain persons and entities (including correspondent banks). Consequently, disbursement, issuance, payment and/or processing under the Facilities by the Bank may become subjected to the OFAC Sanctions and the Bank shall have the unconditional right to refuse to process any transactions that violate/may violate any OFAC Sanctions, as it exists from time to time.
- (b) The Borrower agrees to ensure that the transactions entered into pursuant to the Agreement do not violate any OFAC Sanctions and that no Persons, currently subject to any OFAC Sanctions, are involved in any transactions thereunder. The Borrower agrees that it shall not avail of the Facilities or use the proceeds of the Facilities in any transaction with, or for the purpose of financing the activities of, any Person currently subject to any OFAC Sanctions as aforesaid.
- (c) The Borrower shall indemnify and hold harmless the Bank and shall, immediately on demand, pay for / reimburse to the Bank for all losses and liabilities (including due to claims by a third party), incurred by the Bank as a result of any breach by the Borrower of its representations and undertakings contained herein pertaining to the OFAC Sanctions and/or due to any action taken by the Bank pursuant to the OFAC Sanctions.

### 20.11

The Borrower hereby gives specific consent to the Bank/Lender for disclosing / submitting the 'financial information' as defined in Section 3 (13) of the Insolvency and Bankruptcy Code, 2016 ( 'Code' for brief ) read with the relevant Regulations/ Rules framed under the Code, as amended and in force from time to time and as specified there under from time to time, in respect of the Credit/ Financial facilities availed from the Bank/ Lender, from time to time, to any 'Information Utility' ( 'IU' for brief ) as defined in Section 3 ( 21 ) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by Reserve Bank of India to the banks from time to time and hereby specifically agree to promptly authenticate the 'financial information submitted by the Bank/Lender, as and when requested by the concerned 'IU' .

### 13.12

## **B2B- R & MSME Disbursement Documents/Agreements**

All disputes, differences and / or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Lender/Bank, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender/Bank may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held at Mumbai/Delhi/Kolkata/Bangalore/Chennai/Kochi. The arbitral procedure shall be conducted in English.

### 13.13 Entire Agreement

This Agreement shall supersede all prior discussions and representations between the Parties, , save with respect to any terms and conditions contained in the Sanction Letter, which (i) are not expressly included in this Agreement; and/or (ii) are more stringent in comparison to the condition(s) contained in this Agreement, in which case such condition(s) in the Sanction Letter shall be binding on the Parties and shall also be deemed to be included in this Agreement by reference.

### **SCHEDULE I**

[Note: The Schedule I to be suitably modified based on the capacity of the Borrower and the terms of the Sanction Letter. The terms which are not applicable to the Borrower should be marked as 'Not Applicable'.]

<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
1.	Place of Execution	

## **B2B- R & MSME Disbursement Documents/Agreements**

<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
2.	Date of the Agreement	
3.	Name and Address of the Borrower <sup>3</sup>	<p>(b) In case the Borrower is a company:</p> <p>[●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <ul style="list-style-type: none"><li>• Designation: [●]</li><li>• E-mail : [●]</li><li>• Fax : [●]</li></ul>
4.	Name and address of the Branch of the Bank/Lending Office	

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<sup>3</sup> To be suitably modified based on the capacity of the Borrower

**B2B- R & MSME Disbursement Documents/Agreements**

Sr. No.	Title	Details					
5.	Overall Limit & Details of the Facility Products & Currency	<b>A. Overall Limit :</b>					
		<b>B. Details of Facilities / Break-Up of Overall Limit:</b>					
		<b>Working Capital Product Type</b>	<b>Amount (Rs. in Mn)</b>	<b>Limits /Sub-Limit / interchangeability details</b>	<b>Impost /Commission</b>	<b>Due Date/ On Demand</b>	<b>Frequency</b>
		Cash Credit (CC)	_____	Interchangeable with LC	Interest		
		Working Capital Demand Loan (WCDL)	(_____)	Sub-Limit of CC	Interest		
		Bill Discounting (Bills)	(_____)	Sub-Limit of CC	Discount		
		Letter of Credit (LC)	_____	Interchangeable with CC	Commission		
		Letter of Undertaking (LOU)	(_____)	Sub-Limit of LC	Commission		
		Loan Equivalent Risk (LER)	(_____)	Sub-Limit of LC/ Overall Limit			
Bank Guarantee (BG)	(_____)	Sub-Limit of LC	Commission				
6.	Sanction Letter	Reference no. _____, dated _____					
7.	Nature of the Facilities	Working Capital Loan					
8.	Purpose of the Facilities						
9.	Conditions Precedent to First Disbursement						
10.	Tenure of the Facilities	<b>Facility Product Type</b>	<b>Tenure / Usance Period</b>				
		Letter of Credit (LC)	_____				
		Letter of Undertaking (LOU)	_____				
		Bank Guarantee (BG)	_____				





**B2B- R & MSME Disbursement Documents/Agreements**

Sr. No.	Title	Details			
		<b>14. C:</b> Penal Rate for breach of all other conditions (excluding 14. A and 14. B above): [ • ]			
15.	Prepayment Charges and other terms applicable in relation to prepayment of the Loan	NOT APPLICABLE			
16	Fees / Charges	<b>16.A</b> <u>Upfront / Processing Fees:</u>			
		<b>16. B</b> <u>Other Charges / Fees :</u>			
17.	Repayment	ON DEMAND			
18.	Details of the Security, including the ranking and timelines for creation of Security	S. No.	Security	Ranking	Time period
		(a)	Simple Mortgage/Equitable Mortgage of property situated at _____, owned by _____		
		(b)	Hypothecation of _____ assets		
		(c)	Pledge of shares of _____		
		(d)	Guarantee of _____		
19.	Security Undertakings	(a) Negative Lien on ..... (b) Non Disposal undertaking in relation to .....% of ..... Equity shares held by .....			
20.	Financial Covenants				
21.	Commitment Fees	[Not Applicable]			
22.	Drawdown Schedule				
23.	Availability Period				

**B2B- R & MSME Disbursement Documents/Agreements**

Sr. No.	Title	Details			
24.	Time Period for the Credit Rating				
25.	Restricted Payments & Conditions	S. No	Nature of Restricted Payment	Conditions to be satisfied for making Restricted Payments	
26.	Minimum Insurance Cover				
27.	Time Period for Utilization Certificate				
28.	Jurisdiction for Borrower**				

\*\*\*Note : Jurisdiction For **Borrower** (i) If under Sr. No 1 above, 'Place of Execution' is within **North Zone** : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within **South Zone** : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within **East Zone** : Courts/Tribunals in Kolkatta; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in **Mumbai**

## **B2B- R & MSME Disbursement Documents/Agreements**

### **SCHEDULE II**

#### **ADDITIONAL PROVISIONS RELATING TO CASH CREDIT FACILITY**

The Bank may grant to the Borrower, cash credit facility in the form of running account for drawing upto the Limit specified in this regard ("Cash Credit Facility") and on terms and conditions as set out in this Agreement.

The following additional conditions shall apply to the Cash Credit Facility:

(a) Cash Credit Outstanding Amounts

All drawings by the Borrower and all other amounts (including all interest thereon, Penal Interest, costs, charges, expenses, etc.) payable by the Borrower to the Bank pursuant to the Cash Credit Facility shall be debited to the Facilities Accounts. All payments by the Borrower towards the Cash Credit Facilities shall be credited to the respective Facilities Accounts. The debit balance standing on the Cash Credit Accounts from time to time and at any time with interest accrued thereon, Penal Interest, costs, charges, expenses, etc. shall be the amounts owing and outstanding by the Borrower to the Bank with respect to the Cash Credit Facilities (such amounts being hereinafter collectively referred to as the "Cash Credit Outstanding Amounts" which expression shall, unless it be repugnant to the subject or context thereof, include the whole or any part of them).

(b) Interest

The Borrower shall pay interest at the Interest Rate as specified in Sr. No. 8 of Schedule I. The Interest Rate shall be calculated on the respective daily balance of the Facilities Accounts and shall be debited thereto by the Bank from the Facilities Accounts on the due date as specified in Sr. No. 9 of Schedule I and the Bank shall simultaneously with such debit notify the Borrower.

(c) Margin

The Borrower shall during the utilization of the Cash Credit Facilities maintain the Margin, and such other margin as may be communicated by the Bank from time to time, due to policy changes/ change in statutory requirements/ reassessment of Cash Credit Facilities.

(d) Payment

The Cash Credit Outstanding Amounts shall be payable to the Cash Credit Lenders forthwith on demand within [●] Business Days of such demand.

(e) Monthly Statements

In respect of the Cash Credit Facilities granted by the Bank, the Borrower hereby agrees and covenants with the Bank that the Borrower shall within 15 (fifteen) days after the end of each month or any other extended period as agreed by the Bank, submit monthly stock statements, book debt statement and the receivables / debtors and creditors statement to the Cash Credit Lenders, in the format prescribed by the Bank from time to time. The stock statement should inter alia contain the location where stocks are kept, details of old, obsolete, un-saleable, substandard, second quality and unpaid stocks (including stocks, received under the letters of credit under the Facility) separately.

(f) Drawing Power

## **B2B- R & MSME Disbursement Documents/Agreements**

The Borrower agrees that the drawings in the Cash Credit Account or other accounts shall be allowed to the extent of Drawing Power unless otherwise agreed to by the Bank. In case of any excess drawal the Borrower shall regularise the accounts forthwith or within such period as may be stipulated by the Bank in its absolute discretion. Further all rights, benefits and powers exercisable by or conferred on the Bank hereunder shall be applicable and available to such excess draws as well.

(g) Balance in the Cash Credit Account

The Borrower agrees and undertakes to maintain sufficient debit balance in the Facilities Accounts such that it is sufficient to meet the letters of credit of the Borrower availed under the Facilities.

(h) Penal Interest

(i) The Borrower shall operate and monitor the Cash Credit Facility in a manner so that the outstanding in the account does not exceed the sanctioned Limit or the Drawing Power, whichever is less. In the event of any exceeding or overdrawing, the Borrower shall bring down the drawal to the sanctioned Limit or Drawing Power, whichever is lower, as the case may be, immediately and shall also be liable to pay Penal Interest on the overdue amount or on the entire outstanding, at the discretion of the Bank, prevailing on from the date of exceeding upto the date of bringing down.

(ii) In addition to Clause (i) above and in the event of default in repayment of the Cash Credit Facility availed and / or payment of interest, the Borrower shall also be liable to pay Penal Interest.

(iii) The Borrower will furnish the Bank with all such information as the Bank may reasonably require for satisfaction as to due compliance with terms of the Cash Credit Facility and all such periodical reports and information, at such intervals, in such form and containing such particulars as the Bank may require for the purpose of ascertaining the results of the utilisation of the Cash Credit Facility.

### **SCHEDULE II**

#### **PROVISIONS RELATING TO WORKING CAPITAL DEMAND LOAN FACILITY**

(a) Working Capital Demand Loan Facility

At the request of the Borrower, the Bank may, at its absolute discretion, agree to extend / grant to the Borrower sums to the maximum extent specified in the Agreement constituting a sub-Limit to the maximum extent of Cash Credit Limit available for utilisation ("Working Capital Demand Loan Facility / WCDL"). The Borrower shall make drawals of the WCDL Facility only through the Facilities Account or any other designated account intimated by the Bank.

(b) Revolving Facility

The WCDL Facility shall be in the nature of revolving finance. The total amount of drawals by the Borrower against the WCDL Facility shall not at any point of time exceed the sub-Limits set out in the Agreement.

(c) Additional Terms of the WCDL Facility

## **B2B- R & MSME Disbursement Documents/Agreements**

- i. The principal amount outstanding under the WCDL Facility shall carry interest at the rate with such rates as described in Sr. No. 8 of Schedule I or as decided by the Bank from time to time and advised to the Borrower, until the WCDL Facility is repaid in full to the satisfaction of the Bank.
- ii. The entire principal amount of the WCDL Facility shall be repaid by the Borrower to the Bank by way of a one time payment, on or before the date specified in Sr. No. 12 of Schedule I, unless demanded earlier by the Bank.
- iii. Notwithstanding the above, the Bank may, in its own discretion, without assigning reasons and upon written notice to the Borrower, cancel the WCDL Facility granted and demand immediate repayment thereof. The Borrower acknowledges that delivery of such notice by the Bank shall constitute sufficient notice of such cancellation to the Borrower, and thereupon all outstandings under the WCDL Facility including the principal amount, all interest thereon and any other monies due and payable to the Bank in connection with the WCDL Facility shall become due and payable by the Borrower immediately to the Bank.
- iv. If any interest remains unpaid on the date it is due and payable as per Agreement, then the unpaid interest will carry Penal Interest.
- v. Notwithstanding the provisions of Clause (iv) above, the Bank will be entitled to demand immediate repayment of all the outstandings under the WCDL Facility if any interest remains unpaid on the Due Date for payment.
- vi. Provided however, the levy of Penal Interest under this Agreement shall not prevent the Bank from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Bank upon the occurrence of an Event of Default.
- vii. The Borrower agrees and undertakes to execute a demand promissory note and such further documents, as the Bank may in its discretion from time to time require in respect of the WCDL Facility, in a form and manner to the satisfaction of the Bank.

**B2B- R & MSME Disbursement Documents/Agreements**

**IN WITNESS WHEREOF** the Borrower has caused this Agreement to be executed on the day, month and year first herein above written, and the Bank has caused this Agreement to be executed by the hand of its authorised officer as hereinafter appearing:<sup>4</sup>

In case the Borrower is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

[Note : To be suitably modified based on the Articles of Association of the company.]

In case the Borrower is a partnership firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the Borrower by its partners:

(d) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(e) Mr./Ms. [●]

\_\_\_\_\_  
<sup>4</sup> The signing clause to be suitably modified based on the capacity of the Borrower

**B2B- R & MSME Disbursement Documents/Agreements**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(f) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Borrower is a proprietorship concern:

For M/s. [●]

\_\_\_\_\_  
**(Proprietor Signature)**

\_\_\_\_\_  
**(Proprietor Initial)**



**B2B- R & MSME Disbursement Documents/Agreements**

[Note: Both the signature and the initials to be obtained on this page]

In case the Borrower is a HUF:

For [●], a Hindu Undivided Family

\_\_\_\_\_  
(Karta **Signature**)

\_\_\_\_\_  
(Karta **Initial**)

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

In case the Borrower is a Trust/Society:

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

\_\_\_\_\_  
[insert designation]  
**Signature**

\_\_\_\_\_  
[insert designation]  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society. If ]

**B2B- R & MSME Disbursement Documents/Agreements**

**SIGNED AND DELIVERED** by the duly  
authorised signatory of **AXIS BANK**  
**LIMITED**

## **B2B- R & MSME Disbursement Documents/Agreements**

### **For TL**

*To be stamped as an Agreement cum Indemnity cum Power of Attorney as per state stamp Act*

### **TERM LOAN AGREEMENT**

This agreement is made at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule respectively between such persons, whose name(s) and address(es) are as specified in Sr. No. 3 of the Schedule (hereinafter referred to as the “**Borrower**”);

**AND**

**AXIS BANK LIMITED**, a company, incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ‘Trishul’, 3<sup>rd</sup> Floor, Opposite Samarsheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and one of the branch offices at the place as specified in Sr. No. 4 of the Schedule (hereinafter referred to as the “**Bank**” which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns).

(The Borrower and the Bank, wherever the context so admits, are hereinafter individually referred to as “**Party**” and collectively as “**Parties**”)

**WHEREAS** the Borrower has requested the Bank and the Bank has agreed to provide a facility upto the limit(s) as specified in Sr. No. 5 of the Schedule, with full power to the Bank from time to time to reduce or altogether withdraw the Facility, on the terms and conditions appearing herein and the Sanction Letter details of which are specified in Sr. No. 6 of the Schedule.

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

#### **11. DEFINITIONS AND INTERPRETATION**

11.1 In this Agreement, the capitalised terms shall have the following meanings:

“**Affiliate**” of any specified person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any “**Relative**” (as such expression is defined in the Companies Act, 2013) of such natural person.

“**Agreement**” means this loan agreement for grant of the Facility executed at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule respectively between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time.

## **B2B- R & MSME Disbursement Documents/Agreements**

**“Applicable Law”** shall include any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, authorization, approval, directive, guideline, policy, requirement, governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or judicial or regulatory authority, whether in effect as of the date of this Agreement or thereafter and in each case as amended, modified or substituted from time to time.

**“Availability Period”** shall have the meaning ascribed to the term in Sr. No. 23 of the Schedule.

**“Business Day”** means a day on which the Lending Office in respect of the Facility or through which the Borrower has to make payment or repayment in respect of the Facility, is open for normal business transactions.

**“CIC”** shall mean and refer to Credit Information Companies as defined under the Credit Information Companies (Regulation) Act, 2005, as amended from time to time.

**“Credit Rating Agency”** shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited [CARE], CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moodys and Standard & Poor’s and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

**“Drawdown Schedule”** shall have the meaning ascribed to the term in Sr. No. 22 of the Schedule.

**“Penal rate”** shall have the meaning ascribed to the term in Clause 5.3(a).

**“Event(s) of Default”** means any of the events or circumstances as specified in Clause 10.1.

**“Facility”** means the loan facility, upto the limit(s) specified in Sr. No. 5 of the Schedule, granted by the Bank to the Borrower in accordance with the terms of this Agreement, and shall include any amount converted into another currency and/or reconverted into Indian rupees in accordance with Clause 4 of this Agreement.

**“Financing Documents”** means this Agreement, the Sanction Letter, the Security Documents and such other documents as may be executed in connection with the Facility and shall include any other document designated as such by the Bank.

## **B2B- R & MSME Disbursement Documents/Agreements**

**“Guarantor(s)”** shall mean all persons who have provided/shall provide a guarantee in favour of the Bank in connection with the Facility in terms of the Financing Documents.

**“Governmental Authority”** shall mean the Government of India, the government of any state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect control of the Government of India or any the state government or any subdivision of any of them or owned or controlled by the Government of India, the state governments or any of their subdivisions, or any court, tribunal or judicial body within India.

**“Interest Rate”** shall mean the rate of interest as set out in Sr. No. 11 of the Schedule and as may be reset from time to time in accordance with this Agreement on every Interest Reset Date

**“Interest Reset Date”** shall mean:-

Reset once in 3 months, the first day falling after three months from the date of the relevant drawdown and every 3 months thereafter.

**“Lending Office”** shall mean the branch of the Bank as specified in Sr. No. 4 of the Schedule and shall include any other office or branch of the Bank through which the Facility is provided by the Bank and such other office or branch as the Bank may nominate.

**“Loan”** means the principal amount outstanding for the time being under the Facility.

**“Loan Obligations”** shall mean all amounts owing, due or payable to the Bank pursuant to the terms of the Financing Documents, including without limitation:

- (a) the Loan and all interest on the Loan, the Penal Interest, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Borrower, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with any Financing Document;
- (b) any and all sums advanced by the Bank in order to preserve the Security or preserve any of the assets forming part of the Security including but not limited payment of stamp duty, insurance premium, statutory levies; and
- (c) in the event of any proceeding for the collection or enforcement of the Loan Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, all costs and charges incurred by the Bank in case of any proceedings initiated under the Insolvency and Bankruptcy

## **B2B- R & MSME Disbursement Documents/Agreements**

Code 2016, or of any exercise by the Bank of the rights under the Security Documents and/or the other Financing Documents, together with legal fees and court costs.

**“Material Adverse Effect”** shall mean the effect or consequence of an event or circumstance which in the opinion of the Bank is or likely to have a material and adverse effect on:

- (h) the financial condition, business or operation of the Borrower or any other Obligor;
- (i) the ability of the Borrower or any other Obligor to perform its obligations or exercise its rights under the Financing Documents; or
- (j) the validity or enforceability of any of the Financing Documents (including the ability of the Bank to enforce any of its remedies under any of them).

**“Obligors”** shall mean collectively the Borrower, the Guarantor(s) and the Security Providers

**“RBI”** means Reserve Bank of India.

**“Repayment Date”** shall have the meaning ascribed to the term in Sr. No. 17 of the Schedule.

**“Repayment Schedule”** shall have the meaning ascribed to the term in Sr. No. 17 of the Schedule.

**“Restricted Payments”** shall mean any of the payment(s) as listed in Sr. No. 25 of the Schedule

**“Sanction Letter”** shall have the meaning ascribed to the term in Sr. No. 6 of the Schedule, which expression shall include any amendments or modifications made from to time.

**“Security”** shall have the meaning ascribed to the term in Clause 7.2 hereof.

**“Security Documents”** shall mean each of the documents and agreements entered into/ to be entered into by the Security Providers for creating, maintaining and perfecting the Security Interest as contemplated under this Agreement and includes any other instrument, document or deed executed and/or to be executed in connection with or pursuant to any of the foregoing and any other document designated as such by the Bank.

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**“Security Interest”** means a mortgage, charge, hypothecation, assignment, pledge, guarantee, Security Interest, encumbrance, of any kind or nature whatsoever or other security interest or any other security agreement or any other form of security of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract.

**“Security Providers”** means all persons who have created/shall create any Security Interest in favour of the Bank in connection with the Facility in terms of this Agreement or the Security Documents.

**“Security Undertakings”** means lien (including any statutory or negative lien) deposit arrangement, letter of comfort, preference, priority of any kind or nature whatsoever or other undertakings of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any conditional sale or other title retention agreement

**“Related Party”** shall have the meaning ascribed to it under the Insolvency and Bankruptcy Code, 2016, as amended from time to time.

11.2 In this Agreement, unless the context otherwise requires:

- (aa) Singular shall include plural and the masculine gender shall include the feminine and neutral gender.
- (bb) a **“Financing Document”** or any other agreement or instrument is a reference to that Financing Document or other agreement or instrument as amended, supplemented, extended or restated;
- (cc) a **“person”** includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
- (dd) a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental,

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intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (ee) a “**Clause**” or “**Schedule**”, is a reference to a clause in, or schedule to, this Agreement;
- (ff) a “**party**” to this Agreement or a “**person**” shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the Financing Documents);
- (gg) an “**amendment**” includes a supplement, modification, novation, replacement or re-enactment and “**amended**” is to be construed accordingly;
- (hh) an “**authorised signatory**” means a person that has been duly authorised by another person (the “**other person**”) to execute or sign any Financing Document (or other document or notice to be executed or signed by the other person under or in connection with any Financing Document) on behalf of that other person;
- (ii) “**control**” includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (jj) a provision of law is a reference to that provision as amended or re-enacted;
- (kk) words and abbreviations, which have well known technical or trade or commercial meanings are used in the Agreement in accordance with such meanings;
- (ll) a reference to a “month” is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;and
- (mm) in the event of any disagreement or dispute between the Bank and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank, as to the materiality or reasonableness of any of the foregoing, shall be final and binding on the Borrower.

### **12. BANK’S AGREEMENT TO LEND AND BORROWER’S AGREEMENT TO BORROW**

- 12.1 The Bank agrees, based on the disbursement request, representations, warranties, covenants and undertakings as contained herein and in the application for availing the Facility and other documents executed or tendered by the Borrower in relation to the Facility, to lend at its sole discretion, to the Borrower and the Borrower agrees to borrow from the Bank, the Facility for an aggregate amount not exceeding the limit specified in Sr. No. 5 of the Schedule on the terms and conditions as fully contained in this Agreement.



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- 12.2 The Borrower agrees and acknowledges that the Facility shall be utilised for the purpose specified in Sr. No. 8 of the Schedule. Under no circumstances shall the Facility be utilised by the Borrower for, directly or indirectly:
- (i) subscribing to or purchasing any shares/debentures;
  - (j) extending loans to its Affiliates or making any inter-corporate deposits;
  - (k) entering into any speculative transactions or activities; and
  - (l) carrying out any activities not eligible for bank credit as per RBI Guidelines.

### **13. FEES, CHARGES, COSTS AND CLAIMS**

- 13.1 The Borrower, shall bear all charges/fees, including tax, if any, as mentioned in Sr. No. 16 A of the Schedule, which the Borrower agrees to reimburse to the Bank separately within 7 (seven) Business Days of demand by the Bank.
- 13.2 Without prejudice to the provisions of Clause 3.1 above, the Borrower shall forthwith pay or cause to be paid, all present and future imposts, costs, duties, taxes levies, fees insurance premia and other charges and expenses (including any penalty there on, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Facility, the Financing Documents . In the event the Borrower fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower and the Borrower shall forthwith reimburse the same together with interest at the Penal rate.
- 13.3 The Bank shall be entitled to debit all amounts due and payable by the Borrower under this Agreement to the Borrower's loan account maintained with the Bank, unless separately reimbursed to the Bank by the Borrower.
- 13.4 All payments by the Borrower under any Transaction Document shall be made free and clear of and without any deduction of tax or levy, except to the extent that the Borrower is required by Applicable Law.

### **14. DISBURSEMENT**

- 14.1 The Bank shall at its sole discretion disburse the Facility, in accordance with the terms and conditions of this Agreement, including compliance of the provisions of this Clause 4, to such account of the Borrower as specified in the disbursement request.
- 14.2 The Loan (either in full or in parts) may be disbursed by the Bank in such currency as specified in Sr. No. 5 of the Schedule, subject to the norms laid down by Reserve Bank of India (RBI) from time to time and the other terms and condition agreed between the Parties, if any. Further, during the tenure of the Facility, the Bank may, at the request of the Borrower, but however, at its sole discretion, convert any Loan, either in full or part into any other currency and/or reconvert it into Indian Rupees on such terms and conditions as are acceptable to the Bank and the Borrower It is clarified and agreed that such conversion/re-conversion shall be governed by the terms and condition as contained in this Agreement unless otherwise agreed in writing between the Bank and

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the Borrower . The Borrower shall duly indemnify the Bank for any loss suffered by the Bank on account of fluctuation that may take place in the value of foreign currency in which the Facility is availed and such loss on account of the fluctuation shall form a part of the Loan Obligations. In the event the Loan is converted into any other currency, the Borrower shall hedge the foreign currency exposure, if any through the Bank.

14.3 In case any Loan or part thereof is disbursed or converted into foreign currency , the Borrower agrees and confirms that, Bank may on request being made by the Borrower, at its sole discretion, roll over the foreign currency loan from time to time on such terms and conditions as it may deem fit and such roll over may be effected by the Bank by way of a letter issued by the Bank, carrying such Terms and conditions and accepted by the Borrower, shall be valid and binding on the Borrower at each renewal and such renewal and roll over will be governed by this Agreement mutatis mutandis, except to the extent as amended and modified by such letter referred to in this clause.

14.4 Conditions precedent to the initial disbursement under the Facility:

Any disbursement by the Bank under this Agreement shall be at its sole discretion. In addition, the Bank may not, disburse any amount under the Facility if:

- (e) any Event of Default has occurred and is continuing or will result from the proposed disbursement;
- (f) the Borrower has availed facilities from a Related Party and has not submitted an undertaking to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than a bank or a financial institution.

14.5 **Adjustment of Amounts Payable by Borrower:**

The Bank may deduct from the sums to be lent to the Borrower any imposts, costs, duties, taxes , levies, fees , insurance premia and other charges and expenses (including any penalty thereon, if applicable) then remaining due and payable by the Borrower to the Bank pursuant to this Agreement. The Borrower hereby authorises the Bank to deduct such sums from the amount of the Loan to be disbursed and adjust the amounts deducted against the monies then remaining due and payable by the Borrower to the Bank under or pursuant to this Agreement.

## **15. INTEREST & LOAN ACCOUNT**

15.1 Interest

- (o) The Borrower shall, during the tenor of the Facility, pay to the Bank, interest on the Loan, on the dates as specified in Sr. No. 13 of the Schedule to this Agreement, at such interest rate as more particularly described in Sr. No. 11 of the Schedule at the prevailing Interest Rate.

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- (p) The Bank shall have the right to alter the Interest rate or Spread. As per the RBI directives, the banks are free to decide the spread over the external benchmark. However, credit risk premium may undergo change only when borrower's credit assessment undergoes a substantial change as agreed upon in the loan contract. Further, other components of spread including operating cost could be altered once in three years.
- (q) Upon reset of the Interest rate or the spread in accordance with this Agreement, the Bank shall notify to the Borrower of such reset and the revised Interest Rate and the Borrower shall, from such date, pay to the Bank interest on the Facility under the Financing Documents the revised Interest Rate.
- (r) If any interest remains unpaid on the due date, then the unpaid interest shall be compounded monthly
- (s) The Borrower is aware and confirms that the Bank shall be entitled to review and revise the rate of interest at such intervals and/or upon occurrence of such events as mutually agreed between the Parties, and such revised rate of interest shall always be construed as agreed to be paid by the Borrower and shall form part of the Loan Obligations. The Borrower shall be deemed to have notice of change in the rate of interest whenever the change in the rate of interest is displayed/notified at/by the branch of the Bank as specified in Sr. No. 4 of the Schedule. The Borrower shall be entitled to repay/prepay all amounts outstanding under the Facility without any prepayment premium in the event of any such change in the rate of interest is not acceptable to the Borrower.
- (t) In case the Loan is disbursed/converted in foreign currency, the Borrower agrees to pay interest on the Loan as mutually agreed between the Parties. The Loan will carry interest linked to LIBOR. The spread over LIBOR shall be decided as per the prevailing market conditions, calculated and payable with monthly rests, or such other rests and rate as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower
- (u) The interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 (three hundred and sixty five) days irrespective of leap year.

### 15.2 Upfront Fees and Other Fees

The Borrower shall pay to the Bank an upfront fee and such other fees as set forth in Sr. No. 16 A/Sr. No. 16 B of the Schedule on such dates as specified therein.

### 15.3 Penal Interest

- (g) Without prejudice to the obligations of the Borrower under this Agreement and the other Financing Documents, the Borrower shall pay Penal Interest at such rate as specified in Sr. No. 14 of the Schedule or

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any other rate as may be communicated by the Bank to the Borrower (“Penal rate”) over and above the rate of interest as specified in Sr. No. 11 of the Schedule on all amounts outstanding under the Facility upon the failure by the Borrower to pay any Loan Obligations or to comply with any terms and conditions specified in this Agreement. Such Penal Interest will be computed from the respective due date of payment or from the date of non compliance of the terms of this Agreement, as the case may be until the date on which the Borrower has repaid /reimbursed such amounts or complied with such terms of this Agreement for which the default had occurred, and shall become payable upon the footing of compound interest with monthly rests as provided in this Agreement and shall be payable by the Borrower immediately on demand by the Bank.

- (h) Provided however, such Penal Interest under this Agreement shall not prevent the Bank from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Bank upon the occurrence of an Event of Default.
- (i) The Borrower acknowledges that the rate of Penal Interest is reasonable and that it represents genuine pre-estimates of the loss expected to be incurred by the Bank in the event of non payment of any monies by the Borrower.

15.4 The Borrower acknowledges that the Facility provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Bank.

### **8. REPAYMENT AND PREPAYMENT**

- 6.11 The Borrower shall repay the Loan on each Repayment Date in accordance with the Repayment Schedule and in accordance with the terms of this Agreement. Credit for all payments by cheque, bank draft, RTGS will be given on realisation of the amount or the relative due date, whichever is later. Any payment which is due to be made on a day that is not a Business Day shall be made on the immediately preceding Business Day.
- 6.12 The Borrower agrees to accept the statement of account sent by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any sum claimed to be due by the Bank from the Borrower unless any discrepancy is highlighted by the Borrower within seven (7) Business Days of receipt the statement.
- 6.13 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower shall, as may be required by the Bank, repay the Loan or any part thereof so disbursed or converted, in the same currency in which it has been disbursed/converted, as the case may be, or in the Indian Rupee equivalent of the amount disbursed/converted, as the case may be, under the Loan, as on the date of such repayment

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### 6.14 Prepayment:

A Loan may be prepaid in accordance with this Agreement and after giving prior notice to the Bank as stipulated under Sr. No. 15 of the Schedule.

## **21. SECURITY**

21.1 The repayment of the Loan Obligations to the Bank shall be secured in such manner as specified in Sr. No. 18 of the Schedule.

21.2 The Borrower agrees and undertakes that it shall create and perfect or cause to be created and perfected the security as specified in Sr. No. 18 of the Schedule and Security Undertakings as specified in Sr. No. 19 of Schedule (collectively "**Security**"), in such form and manner as may be required by the Bank, having such ranking as specified in Sr. No. 18 of the Schedule and within such time lines as specified in Sr. No. 18 of the Schedule.

21.3 The Borrower shall make out a good and marketable title to the properties proposed to be secured in favour of the Bank, and comply with all such procedures for creation and perfection of the Security as may be necessary under Applicable law.

21.4 Without prejudice to the rights of the Bank under this Agreement, in the event the Bank is of the view that there is a substantial deterioration in the value of the security which has been provided to the Bank, the Bank may call upon the Borrower to furnish such additional/alternate security as may be required by the Bank and the Borrower agrees and undertakes that it shall create and perfect the security interest over such additional/alternate security, in a form and manner to the satisfaction of the Bank within such time period as may be specified by the Bank in this regard.

21.5 The Borrower agrees that the Bank shall have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in its capacity as "Loss Payee", in relation to the assets of the Borrower, towards the Loan obligations under this agreement.

## **22. CANCELLATION OF THE FACILITY**

### 22.1 Illegality

If after the date of this Agreement, it is or will become unlawful or contrary to any directive of any applicable agency in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by this Agreement or to fund or maintain any Loan:

(g) the Bank will notify the Borrower upon becoming aware of that event;

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- (h) upon the Bank notifying the Borrower, the undisbursed part of the Facility will be immediately cancelled; and
- (i) the Borrower shall forthwith repay the Loan Obligations under the Financing Documents.

### **22.2 Automatic Cancellation**

Any part of the Facility which remains undrawn at the end of the Availability Period shall be automatically and immediately cancelled, unless otherwise agreed by the Bank.

### **22.3 Unconditional Cancellation**

- (c) The Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Facility at any time during the subsistence of the Facility, without any prior notice to the Borrower, for any reason whatsoever. In the event of any such cancellation, all the provisions of this Agreement and all other Financing Documents shall continue to be effective and valid and the Borrower shall repay the Loan Obligations in accordance with the terms of this Agreement.

## **23. BORROWER'S REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS:**

23.1 The Borrower makes the following representations and warranties as of the date hereof and which representations shall continue to be made and remain true and correct on each day other than those made as of a particular date, which representations and warranties shall survive the execution of this Agreement and the making of the disbursement as provided under this Agreement till all the Loan Obligations have been repaid in full by the Borrower to the satisfaction of the Bank:

- (mm) It has the power and authority to execute deliver and perform its obligations under the Financing Document.
- (nn) It is in compliance with all applicable laws and has obtained all clearances and authorisations.
- (oo) Each of the Financing Document when executed by the Borrower constitutes legal, valid and binding obligations of the Borrower, enforceable in accordance with its terms
- (pp) The execution and performance of the financing documents do not conflict any other agreements / applicable laws/ its constitutional documents.

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- (qq) Save as permitted under the Financing Documents, no encumbrance or Security Interest exists or will exist over any of the assets secured/to be secured by the Borrower
- (rr) No event of default has occurred or will occur upon execution of / disbursement under the financing documents.
- (ss) All information provided to the Bank is true and correct.
- (tt) The financial statement delivered to the Bank are its most recent and prepared in accordance with applicable laws and generally acceptable accounting principles. There has been no material change in the financial condition or the operations of the Borrower from the date on which such financial statements were prepared or drawn up
- (uu) Save and except as otherwise provided in the Financing Documents, its Loan Obligations under the Financing Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law
- (vv) No litigation / arbitration proceedings exists which will have a material adverse effect.
- (ww) It does not have any right of immunity from legal proceedings or under contract
- (xx) No action has been taken (voluntary or involuntary) for its liquidation / insolvency/restructuring, including under the Insolvency and Bankruptcy Code, 2016.
- (yy) It has good and marketable title to its assets over which Security is to be created.
- (zz) It has obtained and is validly maintaining all insurances and reinsurances in respect of all its assets in accordance with the Applicable Law.
- (aaa) There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.
- (bbb) It hereby agrees and undertakes that no such person whose name is appearing in the list of Wilful defaulters by RBI/CIC/ in any caution list, shall be inducted on its board and that in case, such a person is found to be on its Board, it would take expeditious and effective steps for removal of such person from its Board.
- (ccc) All its arrangements with third parties are on arm length basis.
- (ddd) The Borrower is not affected by any fire, floods, storm, earthquake, embargo, act of God or of the public enemy or other events (whether or not covered by insurance) that could reasonably be expected to have a Material Adverse Effect.

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- (eee) No director of the Bank is a director, manager, managing agent, employee or guarantor of the Borrower, or of a subsidiary or holding company or other group companies of the Borrower or holds substantial interest, in the Borrower or a subsidiary or the holding company or any other group company of the Borrower. No directors / relative of any other banks or financial institutions holds substantial interest or is interested as director or as a guarantor of the Borrower

### **23.2 Financial Covenants**

The Borrower undertakes that it shall strictly adhere to such financial covenants as specified in Sr. No. 20 of the Schedule.

### **23.3 Information Covenants:**

- (a) The Borrower shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 9.3, as applicable, and in all cases within 2 (two) Business Days after the Borrower obtains knowledge thereof, the Borrower shall provide the information/ notice to the Bank of the following:
  - xix. any change in the shareholding of the Borrower or any change in the constitution of the, as the case may be, or any appointment or removal of key managerial personnel of the Borrower;
  - xx. details of any event, of any litigation, arbitration or administrative proceedings which is likely to result in the occurrence of Material Adverse Effect;
  - xxi. the details of any notice of any application made in relation to the Borrower under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Borrower, or for appointment of a receiver in relation to any of assets or business or undertaking of the Borrower;
  - xxii. the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);
  - xxiii. any change of corporate name, registered office address, or any similar changes of the Borrower;
  - xxiv. If any Security is to be created over immoveable property acquired by the Borrower subsequent to the execution of this Agreement, the Borrower shall, forthwith upon acquisition of each such immoveable property, inform the Bank of the details of the immoveable property acquired;
  - xxv. in the event the Borrower or any of its partners or directors or trustees, as the case may be, become a specified near relative of a director of a banking company/ financial institution, the Borrower shall, notify the Bank of such an event and provide such other details including details of the relationship of the Borrower or



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- any of its partners or directors or trustees, as the case may be, with the director of the banking company/ financial institution, as may be required by the Bank;
- xxvi. deliver to the Bank copies of all documents issued by the Borrower to all its creditors or any general class of them at the same time as they are issued;
  - xxvii. the occurrence or likely occurrence of a Material Adverse Effect.
- (b) The Borrower shall also submit the following information from time to time in such form and manner as may be required by the Bank:
- vii. such information, documents or reports (financial or otherwise) as may be required by the Bank from time to time including any information required by the Bank to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available with Bank;
  - viii. submit the following information as required vide RBI circular No. DBOD.No.BP.BC.94/08.12.001/2008-09 dated December 8, 2008 (as may be amended, modified, supplemented from time to time): (i) under Annexure I of the abovementioned circular; (ii) exchange of information with other lenders as required under Annexure II of the abovementioned circular; and (iii) submit a certificate from a company secretary / chartered accountant, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annexure III of the abovementioned circular; and
  - ix. any other information as may be required by the Bank.

### **23.4 Positive Covenants**

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all Loan Obligations to the satisfaction of the Bank, the Borrower shall:

- (cc) Comply with all applicable laws and obtain/maintain all authorisations;
- (dd) maintain proper books of accounts to accurately reflect its financial condition;
- (ee) obtain prior approval of the Bank for change in its statutory auditors;
- (ff) maintain all its property (including its property and assets forming part of the Security) in good working order and habitable condition and adequately insured.

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- (gg) ensure that the name of the Bank is duly endorsed as the "Beneficiary"/"Loss Payee" on such insurance policies and all renewals thereof in relation to the property and assets forming part of the Security
- (hh) amend its constitutional documents as required by the Bank;
- (ii) pay all applicable taxes and stamp duty;
- (jj) utilise the facility only for the purpose it is sanctioned;
- (kk) permit the Bank/its employees/consultants to inspect its assets and premises at any time;
- (ll) enter into arrangements with third parties only on arm length basis;
- (mm) execute or procure the execution of all such documents as the Bank may reasonably consider necessary for giving full effect to each of the Financing Documents;
- (nn) get itself rated by a Credit Rating Agency within such period as specified in Sr. No. 24 of the Schedule;
- (oo) co-operate with such auditors as may be appointed by the Bank with a view to obtain specific certificate regarding utilization/diversion/siphoning of funds, provide the necessary information and/or documents as may be required by such auditors, and bear all the expenditure in respect of obtaining the said certificate and agrees to indemnify and keep the Bank indemnified in this regard

### **23.5 Negative Covenants**

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all the Loan Obligations to the satisfaction of the Bank, the Borrower shall not, without the prior written consent of the Bank `:

- (kk) enter into any scheme of merger, amalgamation, or do a buyback;
- (ll) make any Restricted Payments other than permitted under Sr. No. 25 of the Schedule;
- (mm) wind up, liquidate or dissolve its affairs or take any steps for its voluntary winding up or liquidation or dissolution;
- (nn) agree, authorise or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a Material Adverse Effect;

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- (oo) permit any change in the general nature of the business of the Borrower or undertake any expansion or invest in any other entity;
- (pp) permit any change in the ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);
- (qq) effect any change in its accounting method or policies;
- (rr) make any amendments in the Borrower's constitutional documents,;
- (ss) avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation and/or provide any loan or advance to any third party, save as permitted under the Sanction Letter;
- (tt) encumber or create any Security Interest over the assets of the Borrower, save as permitted under the Sanction Letter;
- (uu) pay any commission to its promoters / directors / Security Providers,;
- (vv) repay any principal or interest on any loans availed by the Borrower from the shareholders/directors;
- (ww) Dispose its assets other than those as permitted by the Bank in writing; and
- (xx) shall not utilize the Facility sanctioned for any purpose other than the end use as permitted in the Sanction Letter;
- (yy) change its financial year-end from the date it has currently adopted;
- (zz) enter into any contract or similar arrangement whereby its business or operations are managed or controlled, directly or indirectly, by any other person;
- (aaa) change remuneration of its directors in any manner other than as mandated by legal or regulatory provisions; and
- (bbb) obtain any facilities from a Related Party unless the Borrower cause such Related Party to submit an undertaking to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than a bank or a financial institution.

### **24. EVENTS OF DEFAULT**

- 24.1 The occurrence or likely occurrence of any of the following events and/or circumstances (in the sole decision of the Bank) shall constitute event(s) of default ("**Event(s) of Default**"):

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- (qq) the Borrower commits any default in the payment of the Loan Obligations or any amount due or any part thereof;
- (rr) any Obligor commits any default in the payment of any amount to any person when due or any person demands repayment of the loan or dues of the Obligors ahead of its repayment terms or a moratorium is declared in respect of any indebtedness of the Obligors;
- (ss) the Borrower and/or any of the other Obligors defaults in performing any of its obligations under this Agreement or any of the Financing Documents or breaches any of the terms or conditions of this Agreement or any other Financing Documents;
- (tt) the Obligors default in performing any of their respective obligations under any agreement between the Obligors and the Bank (excluding the Financing Documents) or between Obligors and any third party;
- (uu) any notice / action in relation to actual or threatened liquidation/dissolution/bankruptcy/insolvency/ceasing to carry on business of Borrower / any Obligor (voluntary or involuntary)
- (vv) if the Borrower and/or any of the other Obligors changes or threatens to change the general nature or scope of the business ;
- (ww) any of the information provided by the Borrower and/or any of the other becomes incorrect or untrue;
- (xx) failure by the Borrower and/or any of the other Obligors to create and perfect Security as stipulated in the Agreement;
- (yy) any of the Security Documents fails to create the Security Interest or fails to have the priority as stipulated or ceases to be in full force and effect;
- (zz) if any circumstance or event occurs which is or is likely to prejudice, impair, imperil, depreciate or jeopardise any security or any part thereof;
- (aaa) the value of the any security depreciates entitling the Bank to call for further security and failure of the Borrower and/or any of Security Providers to provide such additional security;
- (bbb) upon occurrence of any event that has a Material Adverse Effect;
- (ccc) the Borrower and/or any of the Security Provider fails to create the security as provided herein in accordance with the terms of this Agreement.
- (ddd) Appointment of Receiver in respect of the property/assets of the Obligors or if any attachment, distress, execution or other process against the any of the

## **B2B- R & MSME Disbursement Documents/Agreements**

Obligors, or any of the Security Interest is enforced or levied upon by any third party (if applicable);

- (eee) if the Loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Borrower and sanctioned by the Bank;
- (fff) if the Borrower and/or any of the Security Providers, attempts or purports to create any Security Interest (other than as permitted under the Financing Documents) over any of its assets which are charged in favour of the Bank;
- (ggg) there is any change in the control of the Obligors (directly or indirectly) without the prior consent of the Bank;
- (hhh) if the Borrower fails to furnish to the Bank detailed end use statement of the Loan as and when so required by the Bank within the time prescribed by the Bank;
- (iii) any of the Financing Documents ceases to exist, to be valid, effective, enforceable or is terminated in a manner not in accordance with the terms of that Financing Document;
- (jjj) any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Borrower and/or any of the Security Providers or any of their assets which has or could reasonably be expected to have a Material Adverse Effect; and
- (kkk) any person makes or threatens to make any application under the Insolvency and Bankruptcy Code, 2016 and/or any notice is received in relation to the same.

### **24.2 Notice on the happening of an Event of Default**

If any event of default or any event which, after the notice or lapse of time or both would constitute an event of default shall have happened, the Borrower shall forthwith give the Bank notice thereof in writing specifying such event of default, or such event. .

### **24.3 Consequences of an Event of Default:**

- (i) On and at any time after the occurrence of an Event of Default the Bank shall have the right to forthwith:
  - (k) to declare that all or part of the Loan Obligations be immediately due and payable,
  - (xxiv) to recover the entire dues of the Loan,
  - (xxv) to cancel the undrawn commitment under the Facility,

## **B2B- R & MSME Disbursement Documents/Agreements**

- (xxvi) to suspend any withdrawal to be effected in the Facility account,
  - (xxvii) to enforce the Security,
  - (xxviii) to exercise such other rights as may be available to the Bank under the Financing Documents and under Applicable Law;
  - (xxix) to review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;
  - (xxx) to appoint a nominee and/or observer on the Board as may be required by the Bank
  - (xxxi) to appoint an observer on the Borrower's Board
  - (xxxii) appoint any Person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and/or the assets, including its premises, factories, plants and units, and to report to the Bank.
  - (xxxiii) appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower.
  - (xxxiv) to convert the outstanding loan obligations into equity or other securities. The Borrower shall provide shareholder resolution/ authorization allowing Bank the right to facilitate such conversions
- (j) The Borrower agrees and undertakes not to prevent or obstruct the Bank from taking possession of the assets comprising Security and that the Bank's representatives will be entitled to sell, give on rent, or otherwise deal with the assets comprising Security by public or private auction or private treaty, without being liable for any loss, and to apply the net proceeds thereof as specified in the Financing Documents.
- (k) Nothing contained in this clause shall oblige the Bank to sell, hire or deal with any of the assets comprising the Security and or proceed against any of the other Obligors and the Bank shall be entitled to first proceed against the Borrower independent of such other Security or other Obligor. In case of any deficit, the Bank shall be entitled to forthwith recover the deficit amount from the Borrower.

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- (l) The Bank may at the risk and cost of the Borrower engage one or more person(s) to collect the Borrower's outstanding and/or to enforce any Security and may furnish to such person the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto as the Bank thinks fit.

### **25. APPOINTMENT OF THE BANK AS THE BORROWER'S ATTORNEY**

The Borrower hereby appoints the Bank as its true and lawful attorney to do and execute for and in the name and on behalf of the Borrower and where the Borrower is more than one individual, jointly and severally, all or any of the acts, deeds and things, specified herein.

### **26. ASSIGNMENT AND TRANSFER**

- 26.1 The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) whole or part of the Loan or any other rights and obligations of the Bank under this Agreement or any other Financing Document to any person/entity (including but not limited to a bank, financial institution, special purpose vehicle or a trust), in a manner or under such terms and conditions as the Bank may decide in its sole discretion without consent of, or prior intimation to, the Borrower.
- 26.2 The Borrower expressly agrees that in the event of sale or transfer as aforesaid, it shall accept such person to whom the Loan is sold or transferred or assigned as the lender under this Agreement and make the repayment of the Loan to such person as may be directed by the Bank, to the extent of the portion of the Loan which has been sold/transferred/assigned.
- 26.3 The Borrower shall not be entitled to directly or indirectly assign, transfer or novate its rights or obligations under this Agreement in part or in whole to any person.

### **27. MISCELLANEOUS**

#### **27.1 Notices**

- (g) Communications in writing
  - (k) Any communication to be made under or in connection with the Financing Documents shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier
- (h) Addresses

## **B2B- R & MSME Disbursement Documents/Agreements**

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:

in case of the Borrower: As detailed in Sr. No. 3 of the Schedule,

in case of the Lender: As detailed in Sr. No. 4 of the Schedule,

or any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

(i) Delivery

(iii) All such notices and communications made or delivered by the Bank to the Borrower under or in connection with this Agreement shall be effective (i) if sent by person, when delivered, (ii) if sent by courier, (a) 2 (two) Business Day after deposit with an overnight courier if for inland delivery and (b) 7 (seven) Business Days after deposit with an international courier if for overseas delivery; and (iii) if sent by registered letter when the acknowledgement of delivery is received.

### 27.2 Indemnity for communication through facsimile or email

(xvii) The Borrower hereby requests and authorizes the Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Agreement and the other Financing Documents by way of facsimile or email by the Borrower or any of its authorized officers.

(xviii) The Borrower acknowledges that:

**(A)** sending information by facsimile or email is not a secure means of sending information and is aware of the risks involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:

5. be fraudulently or mistakenly written, altered or sent; and

6. not be received in whole or in part by the intended recipient.

**(B)** the request to the Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Borrower only.



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- (xix) The Borrower further declares and confirms that it is aware that the Bank has agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Borrower providing this indemnity and agreeing, confirming, declaring and indemnifying the Bank hereunder and that the Bank would not have done so in the absence of such indemnity. The provisions of this Clause 13.2 shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Agreement and the other Financing Documents.
- (xx) The Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Bank may from time to time specify and the Borrower shall be responsible for any improper use of such code or test.
- (xxi) Notwithstanding anything contained herein or elsewhere, the Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Borrower and the Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- (xxii) In consideration of the Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Borrower hereby agrees to indemnify the Bank and keep the Bank at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile or email.
- (xxiii) Upon receipt by the Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Borrower or by any of its authorized officer) shall be deemed (if the Bank chose to act upon the same) to conclusively constitute the mandate of the Borrower, to the Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Borrower or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.
- (xxiv) The Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology.

### 27.3 Set Off

- (e) The Borrower agrees and acknowledges that the Bank has an absolute right to settle any indebtedness whatsoever owed by the Borrower to the Bank

## **B2B- R & MSME Disbursement Documents/Agreements**

under this Agreement or under any other document/agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower with the Bank without giving prior notice to the Borrower. However, the Bank will intimate the Borrower of such exercise of rights under this Clause 13.3(a). The Bank's rights hereunder shall not be affected by the Borrower's bankruptcy, death or winding-up.

- (f) In addition to Clause 13.3 (a) above, notwithstanding the payment of any of the Loan Obligations under the Facilities, the Borrower hereby expressly gives the Bank the power to appropriate proceeds out of any and all Security Interest created in favour of the Bank under the Security Documents or deposited with it or under its possession or control towards satisfaction of any amounts due to the Bank on account of another agreement or transaction entered into by the Borrower or any of the Affiliates of the Borrower with the Bank.

### 27.4 Severability

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### 27.5 Waiver and Amendments

- (g) No failure to exercise, nor any delay in exercising, on the part of the Bank, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy of the Bank in respect of any other default. The rights and remedies provided in this Agreement are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the Bank's sole discretion.
- (h) No waiver of any provision of, or right, remedy or power under, this Agreement shall be effective unless it is in writing signed by the authorised representative of the relevant party.
- (i) This Agreement (including the Schedule) may be amended only by mutual written agreement between the Parties.

### 27.6 Governing Law

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

### 27.7 Jurisdiction

## **B2B- R & MSME Disbursement Documents/Agreements**

- (e) The Borrower agrees that the courts as specified in Sr. No. 28 of the Schedule shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
- (f) Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

### 27.8 Indemnity

The Borrower shall indemnify and keep the Bank and each of its officers, directors, employees, representatives, legal counsels and agents indemnified, against all actions, suits, proceedings and all costs, charges, expenses, losses, or damages which may be incurred or suffered by the Bank by reason of any false or misleading information given by the Borrower to the Bank hereunder or any breach/default/contravention/non-observance/non-performance by the Borrower of any terms, conditions, agreements and provisions hereunder or under any of the Financing Documents. The amounts payable by the Borrower under this Clause 13.8 shall form part of the Loan Obligations and shall be secured by the Security provided in favour of the Bank.

### 27.9 Disclosure

The Borrower also agrees, undertakes and confirms as under:

- (m) The Borrower understands that as a precondition relating to the grant of and/or continuing the grant of the Facility to the Borrower, the Bank requires the Borrower's consent for the disclosure by the Bank of, information and data relating to the Borrower, of the Facility availed of/to be availed by the Borrower, in discharge thereof.
- (n) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by Bank of all or any such:
  - (G) information and data relating to the Borrower;
  - (H) the information of data relating to the Facility/Financing Documents;  
and
  - (I) default, if any, committed by the Borrower, in discharge of the Borrower's obligations under the Facility,

as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies ("**CIC**") and any other agency authorised in this behalf by Reserve Bank of India ("**RBI**") and/or to Information Utilities or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to

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- any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).
- (o) The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct.
  - (p) The Borrower also undertakes that:
    - (E) Any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
    - (F) Any CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
  - (q) The Borrower agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 13.9 (e) and also the information relating to the conduct of the Borrower's accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Borrower shall not hold the Bank liable in any manner for use of such information.
  - (r) The Borrower agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facility, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

27.10

The Borrower hereby gives specific consent to the Bank/Lender for disclosing / submitting the 'financial information' as defined in Section 3 (13) of the Insolvency and Bankruptcy Code, 2016 ( 'Code' for brief ) read with the relevant Regulations/ Rules framed under the Code, as amended and in force from time to time and as specified there under from time to time, in respect of the Credit/ Financial facilities availed from the Bank/ Lender, from time to time, to any 'Information Utility' ( 'IU' for brief ) as defined in Section 3 ( 21 ) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by Reserve Bank of India

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to the banks from time to time and hereby specifically agree to promptly authenticate the 'financial information submitted by the Bank/Lender, as and when requested by the concerned 'IU' .

### 13.11

All disputes, differences and / or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Lender/Bank, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender/Bank may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held at Mumbai/Delhi/Kolkata/Bangalore/Chennai/Kochi. The arbitral procedure shall be conducted in English.

### 13.12 Entire Agreement

This Agreement shall supersede all prior discussions and representations between the Parties, , save with respect to any terms and conditions contained in the Sanction Letter, which (i) are not expressly included in this Agreement; and/or (ii) are more stringent in comparison to the condition(s) contained in this Agreement, in which case such condition(s) in the Sanction Letter shall be binding on the Parties and shall also be deemed to be included in this Agreement by reference.

## **B2B- R & MSME Disbursement Documents/Agreements**

### SCHEDULE

[Note: The Schedule to be suitably modified based on the capacity of the Borrower and the terms of the Sanction Letter. The terms which are not applicable to the Borrower should be marked as 'Not Applicable'.]

Sr. No.	Title	Details
1.	Place of Execution	
2.	Date of the Agreement	
3.	Name and Address of the Borrower <sup>5</sup>	(b) In case the Borrower is a company:  [●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.  <ul style="list-style-type: none"><li>• Designation: [●]</li><li>• E-mail : [●]</li><li>• Fax : [●]</li></ul>
4.	Name and address of the Branch of the Bank/Lending Office	
5.	Details of the Facility & Currency	Amount in figures: _____ Amount in words: _____
6.	Sanction Letter	Reference no. _____, dated _____
7.	Nature of the Facility	Rupee Term Loan
8.	Purpose of the Facility	

<sup>5</sup> To be suitably modified based on the capacity of the Borrower

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Sr. No.	Title	Details					
9.	Conditions Precedent to First Disbursement						
10.	Tenure of the Facility						
11.	Interest Rate and Interest Reset	<b>Facility Type</b>	<b>Product</b>	<b>Interest Rate</b>	<b>Interest Date</b>	<b>Reset</b>	<b>Commission</b>
		Term Loan (TL)	MIBOR/Repo Rate +/- ___% (presently at ___%) p.a. payable at monthly intervals	Interest is to be reset once in 3 months**	N.A		
		** In case of the Rupee Loan, the rate of Interest to be linked to Repo Rate on the date of first disbursement and reset at intervals equivalent to tenure of the Repo Rate.					
12.	Periodicity of Interest Compounding						
13.	Interest Payment Date	<b>Facility Type</b>	<b>Product</b>	<b>Interest Payment Date</b>			
		Term Loan (TL)		Monthly			
14.	Penal rate	<b>14. A :</b> Penal rate for delay in creation of Security: [ • ]					
		<b>14. B :</b> Penal rate for breach of following conditions:					
		<b>No</b>	<b>Insert Condition</b>			<b>Penal rate</b>	
		i.					
		j.					
		k.					
l.							
		<b>14. C :</b> Penal rate for breach of all other conditions (excluding 14. A and 14. B above): [ • ]					

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Sr. No.	Title	Details			
15.	Prepayment Charges and other terms applicable in relation to prepayment of the Loan	<b>15.A :</b> Prepayment without any prepayment penalty or premium in the following circumstances:			
		<b>No</b>	<b>Circumstances</b>		
		a.			
		b.			
		c.			
		<b>15.B :</b> Prepayment penalty or premium in all other circumstances (excluding 15. A above): [ • ]			
		<b>15.C :</b> Notice for prepayment (if not stipulated above)			
		[insert number and words] Business Days			
16	Fees / Charges	<b>16.A</b> <u>Upfront / Processing Fees:</u>			
		<b>16. B</b> <u>Other Charges / Fees :</u>			
17.	Repayment Date and Repayment Schedule				
18.	Details of the Security, including the ranking and timelines for creation of Security	S. No.	Security	Ranking	Time period
		(a)	Simple Mortgage/Equitable Mortgage of property situated at _____, owned by _____		
		(b)	Hypothecation of _____ assets		
		(c)	Pledge of shares of _____		
		(d)	Guarantee of _____		
19.	Security Undertakings	(a) Negative Lien on ..... (b) Non Disposal undertaking in relation to .....% of ..... Equity shares held by .....			
20.	Financial Covenants				
21.	Commitment Fees	[Not Applicable]			



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Sr. No.	Title	Details		
22.	Drawdown Schedule			
23.	Availability Period			
24.	Time Period for the Credit Rating			
25.	Restricted Payments & Conditions	<b>S. No</b>	<b>Nature of Restricted Payment</b>	<b>Conditions to be satisfied for making Restricted Payments</b>
26.	Minimum Insurance Cover			
27.	Time Period for Utilization Certificate			
28.	Jurisdiction for Borrower**			

\*\*\*Note : Jurisdiction For **Borrower** (i) If under Sr. No 1 above, 'Place of Execution' is within **North Zone** : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within **South Zone** : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within **East Zone** : Courts/Tribunals in Kolkatta; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in **Mumbai**

**IN WITNESS WHEREOF** the Borrower has caused this Agreement to be executed on the day, month and year first herein above written, and the Bank has caused this Agreement to be executed by the hand of its authorised officer as hereinafter appearing:<sup>6</sup>

In case the Borrower is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors

<sup>6</sup> The signing clause to be suitably modified based on the capacity of the Borrower

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passed at the meeting held on [●] day  
of [●], [●] in the presence of [●], its [●].

[Note : To be suitably modified based  
on the Articles of Association of the  
company.]

In case the Borrower is a partnership firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the  
Borrower by its partners:

(g) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(h) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(i) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_

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**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Borrower is a proprietorship concern:

For M/s. [●]

---

(Proprietor **Signature**)

---

(Proprietor **Initial**)

[Note: Both the signature and the initials to be obtained on this page]

In case the Borrower is a HUF:

For [●], a Hindu Undivided Family

---

(Karta **Signature**)

---

(Karta **Initial**)

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

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In case the Borrower is a Trust/Society:

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

---

[insert designation]  
**Signature**

---

[insert designation]  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society. If ]

**SIGNED AND DELIVERED** by the duly authorised signatory of **AXIS BANK LIMITED**

**B2B- R & MSME Disbursement Documents/Agreements**

*To be stamped as Guarantee under the applicable stamp act and under the stamp duty rates as applicable in the particular state.*

**DEED OF GUARANTEE**

This **DEED OF GUARANTEE** (“**Deed**”) executed at the place set out in **Sr. No. 1 of the Schedule I** and on the day, month, year set out in **Sr. No. 2 of the Schedule I**, by:

1. The person(s) named in **Sr. No. 3 of the Schedule I** (hereinafter referred to as the “**Guarantor(s)**”);

**IN FAVOUR OF:**

2. **AXIS BANK LIMITED**, a company incorporated under the Companies Act, 1956 and an existing company within the meaning of the Companies Act, 2013, carrying on the banking business under the Banking Regulation Act, 1949 and having its registered office at “Trishul”, Third Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006 and having one of its branch office at the place stated in **Sr. No. 4 of the Schedule I** (hereinafter referred to as the “**Bank**” which expression shall include its successors and assigns).

The Bank and the Guarantor(s) shall together be referred as the “**Parties**” and individually referred to as a “**Party**”.

**W H E R E A S**

- (A) At the request of the Borrower, the Bank has granted/agreed to grant to the Borrower (as defined below), credit facilities to the aggregate extent as stated in **Sr. No. 2 of the Schedule II** hereto (hereinafter referred to as the “**Facilities**”) on the terms, conditions and covenants contained in the documents executed between the Bank and the Borrower as stated in **Sr. No. 3 of Schedule II** (hereinafter referred to as the “**Facility Agreement**”).
- (B) One of the conditions of the Facility Agreement is that, the payment, repayment or reimbursement, as the case may be, of the Guaranteed Obligations shall be secured, inter alia, by an unconditional and irrevocable guarantee of the Guarantor(s), being these presents.
- (C) In consideration of the Bank having granted/ agreed to grant the Facilities to the Borrower, the Guarantor(s) hereby unconditionally, absolutely and irrevocably guarantees to and agrees with the Bank to secure the repayment of the Guaranteed Obligations in accordance with the terms of the covenants herein contained.

**NOW THIS DEED WITNESSETH AS FOLLOWS:**

## **B2B- R & MSME Disbursement Documents/Agreements**

**NOW THEREFORE**, in consideration of the premises set forth in this Deed and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor(s) hereby jointly and severally covenants and agrees as follows:

### **1. DEFINITIONS AND INTERPRETATION**

#### **1.1 Definitions**

All capitalized terms used in this Deed but not defined herein shall have the meaning ascribed to the term as follows:

- (i) in relation to the Term Loan Facility, in the Term Loan Facility Agreement;
- (ii) in relation to the Working Capital Facility, in the Working Capital Facility Agreement.

In this Deed, the following capitalized terms shall have the meaning as ascribed below:

**“Borrower”** shall mean the persons named in **Sr. No. 1 of the Schedule II**.

**“Business Day”** means a day on which the Lending Office of the Bank, in respect of the Facilities or through which the Borrower and/or the Guarantor(s) has to make payment or repayment in respect of the Loan Obligations and the Guaranteed Obligations, as the case maybe, is open for normal business transactions.

**“Default Rate”** shall mean the default rate of interest as more particularly described in **Sr. No. 4 of the Schedule II**.

**“Demand Notice”** shall have the meaning ascribed to the term in Clause 2(a).

**“Events of Default”** shall mean the events of default as provided under the Facility Documents.

**“Facility Agreement”** shall mean the facility agreement the details of which are provided in **Sr. No. 3 of the Schedule II**.

**“Facilities”** shall mean shall mean the facility the details of which are provided in **Sr. No. 2 of the Schedule II**.

**“Finance Documents”** shall mean collectively the Facility Agreement and all other finance documents executed in connection with the Facilities, and shall include any other document designated as such by the Bank.

**“Loan”** means the principal amount outstanding for the time being under the Facilities.

**“Material Adverse Effect”** shall mean the effect or consequence of an event or circumstance which in the opinion of the Bank is or likely to have a material and adverse effect on:

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- (k) the financial condition, business or operation of the Guarantor(s);
- (l) the ability of the Guarantor(s) to perform its obligations or exercise its rights under the Financing Documents (to which it is a party); or
- (m) the validity or enforceability of any of the Financing Documents (including the ability of the Bank to enforce any of its remedies under any of them).

**“Guaranteed Obligations”** shall mean all debts and all amounts, including Loan Obligations, due and payable to the Bank under or in relation to the Facilities till all the Loan Obligations have been repaid in full, irrespective of whether such debts or liabilities or amounts payable in connection with the Facilities:

- (a) are present or future;
- (b) are actual or contingent;
- (c) are owed upon the occurrence of an Event of Default or on issue of Demand Notice; or
- (d) comprise any combination of the above.

**“Loan Obligations”** shall mean collectively the ‘Loan Obligations’ as specified in the Term Loan Agreement and the Working Capital Facility Agreement.<sup>7</sup>

**“Tax”** shall mean any tax, levy, impost, duty or other charge or withholding of a similar nature (including any interest payable in connection with any failure to pay or any delay in paying any of the same) including without limitation, any stamp duty, registration charges or similar costs.

**“Term Loan Agreement”** shall mean the facility agreement the details of which are provided in **Sr. No. 3 of the Schedule II**.

**“Working Capital Facility Agreement”** shall mean the facility agreement the details of which are provided in **Sr. No. 3 of the Schedule II**.

### **1.2 Interpretation**

In this Deed, unless the context otherwise requires:

- (nn) Singular shall include plural and the masculine gender shall include the feminine and neutral gender;
  - (oo) a **“person”** includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or
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authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;

- (pp) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (qq) a “**Clause**” or “**Schedule**”, is a reference to a clause in, or schedule to, this Deed;
- (rr) a “**party**” to this Deed or a “**person**” shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the respective Finance Documents);
- (ss) an “**amendment**” includes a supplement, modification, novation, replacement or re-enactment and “**amended**” is to be construed accordingly;
- (tt) an “**authorised signatory**” means a person that has been duly authorised by another person (the “**other person**”) to execute or sign the Finance Documents (or other document or notice to be executed or signed by the other person under or in connection with any Finance Document) on behalf of that other person;
- (uu) “**control**” includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (vv) “**assets**” include all properties whatsoever both present and future, (whether tangible, intangible or otherwise) (including intellectual property rights), investments, cash-flows, revenues, rights, benefits, interests and title of every description;
- (ww) a reference to “**encumbrance**” includes a mortgage, charge, lien, pledge, hypothecation, Security Interest or any lien of any description whatsoever
- (xx) “**hereof**”, “**herein**” and “**hereto**” and words of similar import when used with reference to a specific Clause in, or Schedule to, this Deed shall refer to such Clause in, or Schedule to, the Deed, and when used otherwise than in connection with specific Clauses or Schedules, shall refer to the Deed as a whole;
- (yy) “**other**”, “**or otherwise**” and “**whatsoever**” shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (zz) the word “**includes**” or “**including**” are to be construed without limitation;



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- (aaa) a provision of law is a reference to that provision as amended or re-enacted;
- (bbb) all approvals, permissions, consents or acceptance required by the Guarantor(s) from the Bank for any matter shall require the “prior and written” approval, permission, consent or acceptance of the Bank;
- (ccc) words and abbreviations, which have well known technical or trade or commercial meanings are used in the Deed in accordance with such meanings;
- (ddd) in the event of any disagreement or dispute between the Bank and the Guarantor(s) regarding the materiality and reasonability of any matter including any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank as to the materiality of any of the foregoing shall be final and binding on the Guarantor(s);
- (eee) in the event there are more than 1 (one) Guarantors providing the guarantee under this Deed, a reference to the term Guarantor(s) shall deem to include a reference to all the Guarantors under this Deed;
- (fff) clause and schedule headings are for ease of reference only and shall not be used in any way for purposes of interpreting this Deed; and
- (ggg) All schedules hereof shall form an integral part of this Deed.

### **2. GUARANTEE**

- (a) In consideration of the Bank agreeing to make the Facilities available to the Borrower, the Guarantor(s) hereby irrevocably, absolutely and unconditionally guarantees to the Bank that till all the Loan Obligations have been repaid in full, the failure of the Borrower to repay the Loan Obligations (or any part thereof) in accordance with the terms of the Facility Agreement or upon the occurrence of an Event of Default, the Guarantor(s) shall, on demand, forthwith pay to the Bank, without demur or protest and without set off, deductions and/or adjustments of any kind whatsoever, the amount of the Guaranteed Obligations as may be claimed by the Bank in relation to the Facilities, as stated in a demand notice to be issued by the Bank to the Guarantor(s) (“**Demand Notice**”).
- (b) Any demand given or made by the Bank to any Guarantor(s) way of a Demand Notice shall be final, conclusive and binding on the Guarantor(s).
- (c) The Guarantor(s) shall, as a separate and independent stipulation and without prejudice to the other provisions contained herein, as primary obligors and not merely as sureties, indemnify the Bank against any liability, loss, damages, claims or cost suffered by the Bank as a result of any or all of the Guaranteed Obligations being or becoming void, voidable, unenforceable, illegal, invalid, ineffective or not being recoverable for any reason whatsoever irrespective of whether such

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reason or any related fact or circumstance was known or ought to have been known to the Bank or any of its officers, employees, agents or advisers.

- (d) The liability of the Guarantor(s) under this Clause 2 is as primary obligors and not merely as sureties.
- (e) The Bank shall have the sole discretion (i) to make disbursement(s) and/or interim disbursement(s) out of the Facilities; and/or (ii) to lend and advance to the Borrower, the said Facilities at such time, on such conditions and in such manner as the Bank may decide.
- (f) The Guarantor(s) shall ensure that the Borrower shall duly and punctually repay the Guaranteed Obligations and perform and comply with all the other terms, conditions and covenants contained in the Finance Documents (to which it is a party).
- (g) The Guarantor(s) agrees and declares that the rights and powers conferred on the Bank by these presents may be exercised against the Guarantor(s) at the discretion of the Bank.
- (h) The Guarantor(s) shall not be discharged at any time till such time the Bank issues its discharge in writing.
- (i) This guarantee shall be in addition and not in substitution to any other guarantee for the Borrower signed by the Guarantor(s) that the Bank may at any time hold.
- (j) The obligations of the Guarantor(s) hereunder are joint and several and independent of the obligations of the Borrower, and a separate action or actions may be brought and prosecuted against the Guarantor(s) alone or jointly with the Borrower.

### **3. DEFAULT INTEREST**

In the event of default in payment of the Guaranteed Obligations or any part thereof, the Guarantor(s) shall pay the default interest at the Default Rate, on such outstanding amounts computed from and including the date of the Demand Notice until the date of actual payment thereof.

### **4. POWER TO VARY**

- (a) The Guarantor(s) agrees that without the concurrence of the Guarantor(s) and without notice to the Guarantor(s) and without in any way affecting this Deed the Bank shall be at liberty to:
  - (i) vary, alter, waive, release or modify any and all the provisions of the Facility Agreement including, without limitation, any modification, variation, waiver, release or amendment of the Facility Agreement which

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increases the aggregate amounts to be paid in accordance with the Facility Agreement;

- (ii) to defer, postpone or revise the repayment of the Facilities and/or payment of interest and other monies payable by the Borrower to the Bank on such terms and conditions as may be considered necessary by the Bank including any increase in the rate of interest;
  - (iii) exercise or refrain from exercising any rights against the Borrower or other persons (including the Guarantor(s));
  - (iv) settle, release or compromise any of the Guaranteed Obligations, any security thereof or any liability (including hereunder) incurred directly or indirectly in respect thereof or hereof;
  - (v) extend the time of payment of any of the Guaranteed Obligations;
  - (vi) extend the availability period for the Facilities;
  - (vii) absolutely dispense with or release all or any of the security/securities furnished or required to be furnished by the Borrower to the Bank to secure the Facilities;
  - (viii) to exercise at any time and in any manner any power or powers reserved to the Bank under the Facility Agreement to enforce or forbear to enforce payment of the Facilities or any part thereof or interest or other monies due to the Bank from the Borrower or any of the remedies or securities available to the Bank;
  - (ix) to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower; and
  - (x) the Guarantor(s) shall not be released by the exercise by the Bank of their liberty in regard to the matters referred to above or by any act or omission on the part of the Bank or by any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor(s).
- (b) The Guarantor(s) waives in favour of the Bank so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor(s) might otherwise be entitled to enforce.
- (c) The Guarantor(s) agrees that the liability under this Deed shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security or security interest, and that no further consent of the Guarantor(s) is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.

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### **5. NO RELEASE**

- (a) This Deed shall be enforceable against the Guarantor(s) notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of the Bank shall, at the time when the proceedings are taken against the Guarantor(s) under this Deed be outstanding or unrealised or lost.
- (b) The rights of the Bank against the Guarantor(s) shall remain in full force and effect notwithstanding any arrangement which may be reached between the Bank and any other Guarantor(s)/Borrower/other persons and notwithstanding that any time hereafter the other Guarantor(s) may cease for any reason whatsoever to be liable to the Bank, the Bank shall be at liberty to require the performance by the Guarantor(s) of its obligations hereunder to the same extent in all respects as if the Guarantor(s) had at all times been solely liable to perform the said obligations.
- (c) The Guarantor(s) shall be deemed as the primary obligor and principal debtor to the Bank, and not merely as surety, and the Guarantor(s) hereby agrees and undertakes, on a full indemnity basis, to indemnify the Bank in relation to any amounts payable by the Borrower under the Finance Documents, pursuant to and in accordance with the terms and conditions of this Deed for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Bank or any of their officers, employees, agents or advisers.

### **6. NO COMMISSION**

The Guarantor(s) declares and agrees that it has not received and shall not, without the prior consent in writing of the Bank receive any security or commission from the Borrower for providing the guarantee, so long as the Guaranteed Obligations remain due and payable to the Bank under this Deed. Further, the Guarantor(s) undertakes and declares that they it has not entered into any agreement with the Borrower to the effect that on the devolvement of the guarantee, the Guaranteed Obligations will be converted into shares; debentures; bonds etc.

### **7. EVIDENCE OF DEBT**

- (a) A certificate in writing signed by a duly authorised official of the Bank shall be conclusive evidence against the Guarantor(s) of the amount for the time being due to the Bank in any action or proceeding brought under this Deed against the Guarantor(s).
- (b) The Guarantor(s) agrees that any admission or acknowledgement in writing by the Borrower of the amount of indebtedness of the Borrower or otherwise as in relation to the subject matter of the guarantee, shall be binding on the Guarantor(s) and the Guarantor(s) accepts the correctness of any statement of account served on the Borrower which is duly certified by the Bank and the same

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shall be binding and conclusive as against the Guarantor(s) and the Guarantor(s) further agrees that in making an acknowledgement or making a payment the Borrower shall be treated as the authorized agent of the Guarantor(s) for the purpose of Indian Limitation Act, 1963.

- (c) In the event of any dispute between the Guarantor(s) and the Bank, including any legal proceedings, the entries made in the accounts by the Bank shall be conclusive evidence of the existence and amount of obligations of the Guarantor(s) as therein recorded.
- (d) Any certification or determination by the Bank of a rate or amount under this Deed shall be conclusive evidence of the matters to which it relates.

### **8. NO PROOF IN LIQUIDATION; NO EXERCISE OF RIGHTS**

The Guarantor(s) shall not:

- (a) in the event of the liquidation or insolvency of the Borrower, prove any claims in liquidation or insolvency proceedings; and
- (b) have the right of subrogation or indemnity against the Borrower, nor shall the Guarantor(s) exercise any such rights available under applicable law, to claim any sum relating to the Guaranteed Obligations from the Borrower, including those of subrogation and of proof in the Borrower's insolvency, and shall hold the benefit of any such rights in trust for the Bank, till such time the Guaranteed Obligations have not been discharged in full, to the satisfaction of the Bank.

### **9. LIABILITY NOT AFFECTED**

- (a) The liability of the Guarantor(s) under this Guarantee shall not be released, discharged, terminated or affected by the following:
  - (i) any change in the constitution, management, ownership or corporate existence of the Borrower and/or Bank;
  - (ii) acquisition or nationalization of the Borrower and/or of any of its undertakings pursuant to applicable law;
  - (iii) any insolvency, liquidation, bankruptcy, winding-up or similar situation or proceeding in respect of the Borrower or any absorption, merger, amalgamation of the Borrower with any company or concern;
  - (iv) any absence or deficiency (including irregularity in the exercise of such powers) or power on the part of the Guarantor(s) to give guarantees or indemnities or any irregularity in the exercise of such powers;
  - (v) winding up (voluntary or otherwise), absorption, merger or amalgamation or bankruptcy or insolvency of the Guarantor(s);

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- (vi) any intermediate payments or satisfaction of any part of the Guaranteed Obligations;
- (vii) the granting of any time or extension for payment of any amounts due to the Bank pursuant to the Facility Agreement;
- (viii) any dispute or disagreement between the Bank and the Borrower or other indulgence to the Borrower or any other person with respect to the Guaranteed Obligations;
- (ix) any illegality, invalidity, irregularity or unenforceability of all or any part of the Guaranteed Obligations or the terms of any Finance Document;
- (x) any variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (xi) any variation in the terms, conditions or manner of disbursement of monies by the Bank under the Facility Agreement;
- (xii) any non-presentation or non-observance of any formality or forbearance or delay or waiver or concession whatsoever, whether as to time, performance or otherwise, on the part of the Bank under the Facility Agreement or other requirement in respect of any instrument or any failure to realize the full value of any security;
- (xiii) absence or infirmity of borrowing powers on the part of the Borrower or any irregularity in the exercise thereof shall not affect the Guarantor(s)'s liability and any monies advanced to the Borrower shall be deemed to be due and owing notwithstanding such absence, infirmity or irregularity and this guarantee shall not be effected by any change in the name or constitution of the unincorporated body or firm by death or retirement or otherwise howsoever;
- (xiv) any incapacity or lack of power, authority or legal personality of any person;
- (xv) any amendment or assignment or novation or charge or succession or variation (however fundamental) to the terms of any Finance Document;  
or
- (xvi) any other act, thing or omission on the part of the Bank or by any other matter or thing whatsoever which under the law relating to sureties would have the effect of so releasing, impairing, discharging the Guarantor(s) of their liability under this Deed.

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- (b) The Guarantor(s) further agrees and acknowledges that the Bank shall not be bound to enquire into the powers of the Borrower and the Bank has powers against the Guarantor(s) notwithstanding any security given or being given to the Bank may be void or defective.
- (c) The Guarantor(s) hereby waives in favour of the Bank in so far as may be necessary to give effect to any of the provisions of this Deed, all the suretyship and other rights which the Guarantor(s) might otherwise be entitled to enforce.

### **10. IRREVOCABLE AND CONTINUING GUARANTEE**

- (a) This Deed shall be a continuing one and shall remain in full force and effect till such time the Guarantor(s) repays in full the Guaranteed Obligations and will extend to the ultimate balance of all sums payable under this Deed, regardless of any partial or intermediate payment or discharge.
- (b) The Guarantor(s) agrees and gives consent to the sale, mortgage on prior, pari-passu or first charge basis, release etc., of any of the assets of the Borrower from time to time as may be approved by the Bank or the transfer of any of the assets of the Borrower from one unit to the other or to the release or lease out by the Bank any or whole of the assets charged to the Bank on such terms and conditions as the Bank may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of the assets of the Borrower. The Guarantor(s) declares and agrees that no separate consent for each such transfer, mortgage, release or lease of any of such assets would be necessary in future.
- (c) The Guarantor(s) agrees and declares that the Borrower will be free to avail of further loan or other facilities from the Bank or any other financial institution in addition to the Facilities and/or to secure the same during the subsistence of this Deed and in that event the Deed herein contained will not be affected or vitiated in any manner whatsoever but will remain in full force and effect and binding on the Guarantor(s). This Deed shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Bank by the Borrower and shall be valid and binding on the Guarantor(s) and operative until repayment in full of all monies due to the Bank under the Finance Documents and the Bank issues a certificate in this regard.
- (d) This Deed shall be irrevocable and the obligations of the Guarantor(s) hereunder shall not be conditional on the receipt of any prior notice by the Guarantor(s) or by the Borrower and the demand or notice by the Bank as provided in this Guarantee hereof shall be sufficient notice to or demand on the Guarantor(s).
- (e) The liability of the Guarantor(s) hereunder shall be to the extent of the Facilities plus all interest, premium on prepayment or on redemption, costs, expenses and other monies payable to the Bank under the Finance Documents. Should there be any excess drawings of the Facilities by the Borrower over and above the initial limit sanctioned to the Borrower, for any reason whatsoever, the Guarantor(s)

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shall be liable for the entire amount outstanding and the Guarantor(s) expressly waives notice of such excess drawal.

- (f) The Guarantor(s) agrees and acknowledges the Guarantor(s) shall not be entitled to the right conferred on sureties notwithstanding anything contained in sections 133, 134, 135, 139 and 141 of the Indian Contract Act, 1872 and waives any of its rights therein.

### **11. NO REQUIREMENT TO EXHAUST REMEDIES**

Prior to making any demand hereunder, the Bank shall not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against the Borrower, give notice to the Borrower or any other person under the Finance Document or otherwise and howsoever arising, or make or file any claim or proof in the dissolution or winding-up of the Borrower or enforce or seek to enforce any Security Interest or security now or hereafter held by the Bank in respect of the Guaranteed Obligations.

### **12. DEMAND NOTICE**

Any demand for payment or notice under this Deed shall be sufficiently given if sent by post to or left at the last known address of the Guarantor(s) or their heirs or executors or administrators as the case may be, and such demand or notice so made or given, shall be assumed to have reached the addresses in the case of post, if given by post, and no period of limitation shall commence to run in favour of the Guarantor(s) until after demand for payment in writing shall have been made or given as aforesaid and in proving such notice when sent by post it shall be sufficiently proved that the envelope containing the notice was posted and a certificate by any of the officer of the Bank that to the best of his knowledge and belief, the envelope containing the said notice was so posted, shall be conclusive as against the Guarantor(s), even though it was returned unserved on account of refusal of the Guarantor(s) or otherwise.

### **13. RIGHT OF SET-OFF AND LIEN**

- (a) The Guarantor(s) agrees and confirms that the Bank shall be entitled to adjust appropriate or set-off all monies held by the Bank to the credit of or for the benefit of the Guarantor(s) on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Guarantor(s) under these presents.
- (b) The Guarantor(s) agrees that in addition to any rights, now or hereafter granted under applicable law or otherwise, upon the occurrence and continuation of an Event of Default, the Bank is hereby authorized at any time or from time to time, to set off and to appropriate and apply any and all deposits (general or special) at any time held or owing to Bank (including, without limitation, by any branches and agencies of the Bank wherever located) to or for the credit or the account of the Guarantor(s) against and on account of the obligations and liabilities of the Guarantor(s) due and payable to the Bank under this Deed or under any other



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facility agreement executed by the Guarantor(s) with the Bank (including, without limitation, by any branches and agencies of the Bank wherever located).

### **14. PAYMENTS; GROSS UP**

- (a) All payments to be made by the Guarantor(s) shall be made to the Bank in accordance with the provisions of Clause 2, in the appropriate currency in accordance with the terms of this Deed, at such place as the Bank shall designate. All payments under this Deed shall be made in full without set-off or counterclaim and free and clear of and without deduction of or withholding for or on account of any tax of any nature now or hereafter imposed by applicable law.
- (b) If any payment by the Guarantor(s) under this Deed is subject to any tax or if the Guarantor(s) shall be required legally to make any deduction or withholdings from the sums payable under this Deed, the Guarantor(s) shall pay such tax and shall simultaneously pay to the Bank in accordance with the provisions of Clause 14, such additional amounts as may be necessary to enable the Bank to receive, after all such payments, deductions and withholdings, a net amount equal to the full amount payable under this Deed to the Bank. If the Guarantor(s) shall make any payment, deduction or withholding, the Guarantor(s) shall within 15 (fifteen) days thereafter (or any shorter period stipulated by applicable law) forward to the Bank an official receipt or other official documentation evidencing such payment or the payment of such deduction or withholding.
- (c) The breach of the provisions of this Deed including any default in payments by the Guarantor(s) under this Deed shall be deemed to be an Event of Default under the Facility Agreement.

### **15. TAXES AND EXPENSES**

The Guarantor(s) agrees to indemnify the Bank against all Taxes or any other levies (including stamp or documentary taxes) incurred in connection with this Guarantee and all costs, expenses or charges relating to or arising out of this Deed including all or any other Taxes and costs, expenses or charges incurred in connection with the preservation or enforcement of the rights of the Bank.

### **16. REPRESENTATIONS AND WARRANTIES**

- (a) In order to induce the Bank to provide the Facilities to the Borrower, the Guarantor(s) has made the representations and warranties set forth herein.
- (b) The Guarantor(s) acknowledges that the Bank has agreed to accept this Deed on the basis of, and in full reliance of the warranties made herein.
- (c) The Guarantor(s) further confirms and warrants that:
  - (i) The Guarantor(s) has valid corporate existence and is conducting its business in full compliance with all the applicable laws;

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- (ii) The Guarantor(s) is legally entitled and possessed of the corporate powers to execute, deliver and perform the terms and provisions of this Deed and has taken all necessary corporate actions to authorise the execution, delivery and performance by it of this Deed;
- (iii) Neither the execution and delivery by the Guarantor(s) of this Deed, nor the Guarantor(s)'s compliance with or performance of the terms and provisions hereof will contravene any provision of applicable law or will violate any provision of the constitutional documents or any agreement or other document by which the Guarantor(s) (or any of its properties) may be bound;
- (iv) The provisions of this Deed are effective and form legal, valid and binding obligations of the Guarantor(s);
- (v) All necessary and appropriate recordings and filings have been and shall be made in all appropriate public offices, and all other necessary and appropriate action has been taken and/or shall be taken so that this Deed constitutes legal, valid and binding obligations of the Guarantor(s);
- (vi) All authorizations and clearances for the creation, effectiveness, priority and enforcement of such guarantee have been obtained, unless required under applicable law to be obtained subsequent to the execution of this Deed;
- (vii) The financial statements in respect of the Guarantor(s) delivered to the Bank, including those that were delivered to the Bank prior to the date of this Deed (including where applicable the audited accounts of the Guarantor(s) as audited by the statutory auditor of the Guarantor(s)), are the most recent financial statements available and such financial statements were prepared in accordance with generally accepted accounting principles applied consistently in India, and give a true and fair view of the financial condition of the Guarantor(s) and of the operations of the Guarantor(s) at the date as of which they were prepared. There has been no material change in the financial condition or the operations of the Guarantor(s) from the date on which such financial statements were prepared or drawn up;
- (viii) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might be expected to affect the validity or enforceability of this Deed or have a Material Adverse Effect, have been started or threatened against the Guarantor(s);
- (ix) In case where the Guarantor(s) is a company, the Guarantor(s) confirms to have given the guarantee under this Deed in compliance of provisions

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of Companies Act, 2013 or any other law as applicable and is not prohibited from extending the guarantee to the Bank under any provisions of applicable law;

- (x) In case where the Guarantor(s) is a company, the Guarantor(s) has duly passed necessary resolutions as required under the Companies Act, 2013 or any other law as applicable and certified copies of such resolution/s is/are submitted to the Bank;
  - (xi) The Guarantor(s) has not taken any corporate action or other action nor has any other step been taken or is likely to be taken or legal proceedings been started or threatened against the Guarantor(s) for winding-up, dissolution, suspension of payments, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Guarantor(s) or of any or all of their assets or revenues; and
  - (xii) There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.
- (d) The Guarantor(s) further represents and warrants to and undertakes with the Bank that the foregoing representations and warranties made by it are and will be true and accurate throughout the continuance of this Deed and so long as the Guaranteed Obligations or any part of them remain outstanding with reference to the facts and circumstances existing from time to time.

### **17. COVENANTS**

#### **(a) Positive Covenants**

The Guarantor(s) hereby covenants the following, throughout the continuance of this Deed and so long as the Guaranteed Obligations or any part thereof remains owing, unless the Bank otherwise agrees:

##### **(i) Authorizations**

The Guarantor(s) shall ensure that it is legally entitled to and possessed of such powers to execute, deliver and perform the terms and provisions of this Deed and has taken and will take as required all the necessary steps for the execution, delivery and performance of this Deed. Further, the Guarantor(s) shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect and supply certified copies to the Bank of, any authorisation (including but not limited to any RBI approvals, if any) required under any law or regulation of India to enable it to perform its obligations under this Deed and the other Finance Documents (to which it is a party) and to ensure the legality, validity,

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enforceability or admissibility in evidence of this Deed and the other Finance Documents to which it is a party.

(ii) Actions of the Guarantor(s)

The Guarantor(s) shall not do or suffer to be done or be party or privy to any act, matter or thing which may, in any manner prejudicially affect the guarantee and the rights created in favour of and for the benefit of the Bank hereunder or under the other Finance Documents.

(iii) Applicable law

The Guarantor(s) shall comply in all respects with all applicable laws to which it may be subject and shall at all times carry on and conduct its affairs in a lawful manner and shall comply with such other conditions as may be stipulated by the Bank from time to time on account of requirement of any applicable law.

(iv) Books of Accounts

The Guarantor(s) shall keep proper books of record and accounts adequate to reflect truly, accurately and fairly its financial condition and results of operations, in which full, true and correct entries shall be made in conformity with applicable law and generally accepted accounting principles in India.

(v) Constitutional Documents

The Guarantor(s) shall carry out such alterations to its constitutional documents as may be required by the Bank to give effect to the provisions of this Deed and the other Finance Documents (to which the Guarantor(s) is a party).

(vi) Stamp Duty

The Guarantor(s) shall bear and discharge all stamp duty, registration fees and any other fees whatsoever, payable at any time in connection with the guarantee under this Deed.

(vii) No conflict

Neither the execution and delivery by the Guarantor(s) of this Deed, nor the Guarantor(s)'s compliance with or performance of the terms and provisions hereof will contravene any provision of applicable law or its constitutional documents or any agreement or other document by which the Guarantor(s) (or any of its properties) may be bound.

(viii) Payment of Taxes

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The Guarantor(s) shall at all times during the continuance of these presents pay all the ground rents, land revenue, rates, taxes (present as well as future), assessments and all dues, duties and outgoings whatsoever payable in respect of the its properties and business immediately when the same shall have become due.

(ix) Further documents

The Guarantor(s) agrees and undertakes to execute such other deeds or documents as may be required by the Bank to further protect and / or enforce this Deed and the other Finance Documents (to which the Guarantor(s) is a party).

(x) No prejudice

The Guarantor(s) agrees and covenants that nothing herein shall prejudice the rights or remedies of the Bank in respect of any present or future security / guarantee obligation or decree for any indebtedness or liability of the Guarantor(s) to Bank.

(xi) Guarantor(s)'s Assets

The Guarantor(s) hereby agrees that the Bank has an absolute right to call upon the Guarantor(s) to declare on oath the details of all its assets and when called upon, the Guarantor(s) will unconditionally, within a period of 3 (three) days, declare on oath, the details of all its assets (whether moveable or immovable, whether tangible or intangible), whether held solely or jointly, and, whether constitutes security for this guarantee or not, in a form and manner satisfactory to the Bank.

(b) Negative Covenants

The Guarantor(s) further covenants and agrees that, so long as the Guaranteed Obligations are outstanding, and until the full and final payment of all the Guaranteed Obligations to the satisfaction of the Bank, the Guarantor(s) shall not, without the prior written consent of the Bank:

- (i) enter into any scheme of merger, amalgamation, compromise or reconstruction or declare any dividend or do a buyback;
- (ii) wind up, liquidate or dissolve its affairs or pass any resolution or otherwise take any steps for voluntary winding up or liquidation or dissolution;
- (iii) agree, authorise or otherwise consent to any proposed settlement, resolution or compromise of any litigation, arbitration or other dispute with any person which in the opinion of the Bank may adversely affect the Guarantor(s), its business or any of its material assets;

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- (iv) permit any change in the general nature of the business of the Guarantor(s), ownership or control of the Guarantor(s) (both management and shareholding) whereby the effective beneficial ownership or control of the Guarantor(s), as represented to the Bank, shall change either directly or indirectly; and
  - (v) make any amendments in the Guarantor(s)'s constitutional documents, including but not limited to its memorandum of association and articles of association (as may be applicable) which may adversely affect any rights of the Bank under this Deed or under any other Finance Document.
- (c) Information Covenants

The Guarantor(s) shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 17(c), as applicable, and in all cases within 2 (two) Business Days after the Guarantor(s) obtains knowledge thereof, the Guarantor(s) shall provide the information/ notice to the Bank of the following:

- (i) details of any event which results in or is likely to result in the occurrence of Material Adverse Effect;
- (ii) the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Guarantor(s), and which might, if adversely determined, have a Material Adverse Effect;
- (iii) the details of any notice of any application made in relation to the Guarantor(s) under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Guarantor(s), or for appointment of a receiver in relation to any of assets or business or undertaking of the Guarantor(s);
- (iv) the details of any proposal by any government authority to acquire compulsorily the Guarantor(s) or any part of the Guarantor(s)'s business or assets;
- (v) the occurrence of any event or the existence of any circumstances which constitutes or results in any declaration, representation, warranty, covenant or condition under this Deed or under any of the Finance Documents to which the Guarantor(s) is a party, being or becoming untrue or incorrect in any respect; and
- (vi) the occurrence of any event which results or is likely to result in the closure of the factory or stoppage of work or operation of the Guarantor(s) due to strike, lock-out, mechanical breakdown, want of raw materials, non-movement of finished goods, power shortage or/and for any other reason.

### **18. JOINT AND SEVERAL LIABILITY**

The liability of the Guarantor(s) shall be joint and several and any demand for payment by the Bank shall be deemed to be a demand made to all or any such persons. The Bank shall

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be at liberty to release or discharge any one or more of such persons from liability under this Guarantee or to compound with, accept compositions from or make any other arrangements with any of such persons without, in consequence, releasing or discharging any other party to this Deed or otherwise prejudicing or affecting the rights of the Bank and remedies against any such other party.

### **19. REINSTATEMENT**

Where any discharge, release or arrangement (whether in respect of the obligations of the Borrower, the Guarantor(s) or any security for those obligations or otherwise) is made by the Bank in whole or in part or any arrangement is made on the basis of any payment, security or other disposition which is subsequently avoided or must be restored as a result of any applicable insolvency, liquidation, bankruptcy or equivalent proceedings or otherwise, then the liability of the Guarantor(s) under this Deed shall continue or shall be reinstated (as the case may be) as if such discharge or arrangement had not occurred.

### **20. DISCLOSURE**

The Guarantor(s) also agrees, undertakes and confirms as under:

- (s) The Guarantor(s) understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Bank requires the Guarantor(s)'s consent for the disclosure by the Bank of, information and data relating to the Guarantor(s), of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
- (t) Accordingly, the Guarantor(s) hereby agrees and gives consent for the disclosure by Bank of all or any such:
  - (i) information and data relating to the Guarantor(s);
  - (ii) the information of data relating to the Facilities; and
  - (iii) default, if any, committed by the Guarantor(s), in discharge of the Guarantor(s) 's obligations under this Deed,

as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies ("**CIC**") and any other agency authorised in this behalf by Reserve Bank of India ("**RBI**") and/or to any other statutory or regulatory authority who may seek such information.

- (u) The Guarantor(s) declares that the information and data furnished by the Guarantor(s) to the Bank are true and correct. The Guarantor(s) also undertakes that:
  - (i) Any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and

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- (ii) Any CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
- (v) The Guarantor(s) agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 20 and also the information relating to the conduct of the Guarantor(s)'s accounts, credit history or repayment record, with other banks / financial institutions, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Guarantor(s) shall not hold the Bank liable in any manner for use of such information.
- (w) The Guarantor(s) hereby agrees that, the Guarantor(s) is liable to be treated as a Wilful defaulter in terms of the applicable RBI guidelines, in the event, the Bank makes a claim on the Guarantor(s) on account of the default made by the Borrower, and the Guarantor(s) refuses to comply with the demand made by the Bank, despite having sufficient means to make payment of the Guaranteed Obligations.
- (x) The Guarantor(s) agrees that in case the Guarantor(s) commits a default in payment or repayment of any amounts under this Deed, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Guarantor(s), its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

### **21. WAIVER**

- (a) No implied waiver or impairment

No delay or omission by the Bank or any receiver in exercising any right, power or remedy accruing to the Bank hereunder or upon any Event of Default shall impair any such right, power or remedy or be construed to be a waiver thereof or any acquiescence, nor shall the action or inaction of the Bank or any receiver in respect of thereof or any acquiescence by it, affect or impair any other right, power or remedy of the Bank, nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right power or remedy. The rights and remedies of the Bank herein provided are cumulative and not exclusive of any rights or remedies provided by law, in equity, or in any of the other documents.

- (b) Express Waiver



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A waiver or consent granted by the Bank under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

### **22. INDEMNITY**

- (a) The Bank and each of its officers, directors, employees, representatives, legal counsels, receiver, attorney, manager, agent or other person appointed by it shall be entitled to be indemnified by the Guarantor(s) in respect of all liabilities and expenses incurred by it in the execution or purported execution of the powers of the Bank including liabilities and expenses consequent to any mistake, oversight or error of judgment (other than those involving any gross negligence or wilful default or fraud (as determined by a court of competent jurisdiction)) on the part of the Bank, or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in anywise relating to this Deed.
- (b) The Bank shall not be under any liability whatsoever towards the Guarantor(s) or any other person for any loss or damage in whatever cause or manner arising or the happening of the cause thereof in relation to this Deed. The Guarantor(s) shall at all times indemnify and keep indemnified the Bank from and against all suits, proceedings, cause, charges, claims and demands whatsoever that may at any time arise or be brought or made by any person against Bank in respect of any acts, matters and the things lawfully done or caused to be done by Bank in connection with the Deed or in pursuance of the rights and power of the Bank under this Deed and/or any other Finance Documents (to which the Guarantor(s) is a party). The amounts payable by the Guarantor(s) under this Clause 22 shall form part of the Guaranteed Obligations.

### **23. COMMUNICATIONS**

- (a) Communications in writing
  - (i) Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier, email, registered or certified mail or facsimile. The Guarantor(s) hereby authorizes the Bank to communicate with it vide telephonic, messages and related services, regardless of any restricting legal/regulatory provisions in this regard.
  - (ii) Provided that any communication issued by the Guarantor(s) by way of facsimile or by email shall be accompanied by the original hard copy of such communication duly signed by the Guarantor(s) or any of the authorized officers (as may be applicable) to be delivered within 3 (three) Business Days of such facsimile or email. Each such hardcopy communication shall be accompanied by a note which shall state that 'this is a hardcopy of the fax/email instructions to you from the Guarantor(s) sent/ transmitted on [insert date on which email/fax was sent] at approximately [insert time at which email/fax was sent]'.

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### (b) Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be delivered under this Deed is:

- (i) in case of the Guarantor(s): As detailed in **Sr. No. 3 of the Schedule I**;
- (ii) in case of the Bank: As detailed in **Sr. No. 4 of the Schedule I**; or
- (iii) any substitute address or fax number or department or officer as the Party may notify to the other Party by not less than 5 (five) Business Days' notice.

### (c) Delivery

- (i) All such notices and communications made or delivered by the Bank to the other Party under or in connection with this Deed shall be effective (i) if sent by facsimile, when sent (on receipt of a confirmation to the correct facsimile number), (ii) if sent by person, when delivered, (iii) if sent by courier, (a) 1 (one) Business Day after deposit with an overnight courier if for inland delivery and (b) 5 (five) Business Days after deposit with an international courier if for overseas delivery and (iv) if sent by registered letter when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not (v) if sent by email, once it has gone out of the mailbox of the sender.
- (ii) Any communication or document to be made or delivered to the Bank will be effective only when actually received by the Bank and then only if it is expressly marked for the attention of the department or officer details of which have been provided in this Deed.

### (d) English language

- (i) Any notice given under or in connection with this Deed must be in English.
- (ii) All other documents provided under or in connection with this Deed must be in English, or if not in English, and if so required by the Bank, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

### (e) Reliance

- (i) Any notice sent under this Clause 23 can be relied on by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).

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- (ii) Each Party must take care to ensure that no forged, false or unauthorised notices are sent to another Party.
  - (iii) The Bank may rely on the instructions received by way of facsimile or email in accordance with this Clause 23(e), provided that it shall not be obliged to, await receipt of the original hardcopy of such instruction (as specified in Clause 23(a)(ii) above) prior to taking any action in connection with such instructions received by way of facsimile or email.
- (f) Indemnity for communication through facsimile or email
- (i) The Guarantor(s) hereby requests and authorizes the Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Deed and any other the Finance Document (to which the Guarantor(s) is a party) by way of facsimile or email by the Guarantor(s) or any of its authorized officers.
  - (ii) The Guarantor(s) acknowledges that:
    - 1. sending information by facsimile or email is not a secure means of sending information;
    - 2. it is aware of the risks involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:
      - (A) be fraudulently or mistakenly written, altered or sent; and
      - (B) not be received in whole or in part by the intended recipient;
    - 3. the request to the Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Guarantor(s) only.
  - (iii) The Guarantor(s) declares and confirms that the Guarantor(s) has for its convenience and after being fully aware of, and having duly considered, the risks involved, (which risks shall be borne fully by the Guarantor(s)) requested and authorised the Bank to rely upon and act on instructions which may from time to time be given by facsimile or email as mentioned above. The Guarantor(s) further declares and confirms that it is aware that the Bank has agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Guarantor(s) providing this indemnity and agreeing, confirming, declaring and indemnifying the Bank hereunder and that the Bank would not have done so in the absence of such indemnity. The provisions of this Clause 23(f) shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Deed and the other Finance Documents (to which the Guarantor(s) is a party).

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- (iv) The Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Bank may from time to time specify and the Guarantor(s) shall be responsible for any improper use of such code or test.
- (v) Notwithstanding anything contained herein or elsewhere, the Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Guarantor(s) and the Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- (vi) In consideration of the Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Guarantor(s) hereby agrees to indemnify the Bank and keep the Bank at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile.
- (vii) Upon receipt by the Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Guarantor(s) or by any of its authorized officer) shall be deemed (if the Bank chose to act upon the same) to conclusively constitute the mandate of the Guarantor(s), to the Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Guarantor(s) or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.
- (viii) The Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology.

### **24. PROVISIONS SEVERABLE**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired. Following the determination that any provision of this Deed is or has become illegal, invalid or unenforceable, the Parties shall negotiate in good faith a new provision that, as far as legally possible, most nearly reflects the intent of the Parties and that restores this Deed as nearly as possible to its original intent and effect.

### **25. DEFICIENCY**

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The Guarantor(s) shall remain liable to the Bank for any deficiency occurring, arising or existing under this Deed or under any other Finance Document to which the Guarantor(s) is a party.

### **26. DISCHARGE AND RELEASES**

Notwithstanding any discharge, release or settlement from time to time between Bank and the Guarantor(s), if any discharge or payment in respect of the Guaranteed Obligations by the Guarantor(s) or any other Person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision of applicable 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 Bank shall be entitled hereafter to enforce this Deed as if no such discharge, release or settlement had occurred.

### **27. AMENDMENT**

Any amendment to this Deed shall be in writing and be signed by all the Parties.

### **28. LIMITATION ON RIGHTS OF OTHERS**

Nothing in this Deed, whether express or implied, shall be construed to give to any Person other than the Bank any legal or equitable right, remedy or claim under or in respect of this Deed, except as expressly provided in this Deed, any covenants, conditions or provisions contained herein, all of which are, and shall be construed to be, for the sole and exclusive benefit of the Bank.

### **29. EVIDENCE OF DEBT**

- (a) In the event of any dispute between the Guarantor(s) and the Bank, including any legal proceedings, the entries made in the accounts by the Bank shall be conclusive evidence of the existence and amount of obligations of the Guarantor(s) as therein recorded.
- (b) Any certification or determination by the Bank of a rate or amount under this Deed shall be conclusive evidence of the matters to which it relates.

### **30. TRANSFER AND ASSIGNMENT**

- (a) The Guarantor(s) shall not assign or transfer any of its rights and/ or obligations under this Deed. The Bank may, at any time, assign and/ or transfer all or any of its rights, benefits and obligations under this Deed, without furnishing any notice to or obtaining the consent of the Guarantor(s), to any other Person, in accordance with the Facility Agreement.
- (b) The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) whole or part of the Facilities and outstanding amounts under the

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Facility Agreement or any other rights and obligations of the Bank under this Deed or any other document pursuant hereto to any person/entity in a manner or under such terms and conditions as the Bank may decide in its sole discretion without reference to or intimation to the Guarantor(s).

- (c) The Guarantor(s) expressly agrees that in the event of sale or transfer as aforesaid, it shall accept such person to whom the Facilities is sold or transferred as the lender and make the payment of the Guaranteed Obligations to such person as may be directed by the Bank.

### **31. FACILITY AGREEMENT**

The Guarantor(s) acknowledges that it has reviewed, acclimatized to, and understood, the Facility Agreement and this Deed (as and when executed) and is / shall be fully aware of the implications thereof.

### **32. GOVERNING LAW**

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

### **33. JURISDICTION**

- (a) The Guarantor(s) agrees that the courts situated at the place as specified in **Sr. No. 5 of the Schedule I** 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 (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
- (b) Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.
- (c) The Guarantor(s) irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the courts or tribunals as specified above and irrevocably waives any objection that such proceedings have been brought in an inconvenient forum. The Guarantor(s) hereby consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (d) To the extent that the Guarantor(s) may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity

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(whether or not claimed), the Guarantor(s) hereby irrevocably agrees not to claim and hereby irrevocably waive such immunity.

34. The Guarantor hereby gives specific consent to the Bank/Lender for disclosing / submitting the 'financial information' as defined in Section 3 (13) of the Insolvency and Bankruptcy Code, 2016 ( 'Code' for brief ) read with the relevant Regulations/ Rules framed under the Code, as amended and in force from time to time and as specified there under from time to time, in respect of the guarantees given, securities created for securing the Credit/ Financial facilities availed by the Borrower from the Bank/ Lender, from time to time, to any 'Information Utility' ( 'IU' for brief ) as defined in Section 3 ( 21 ) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by Reserve Bank of India to the banks from time to time and hereby specifically agree to promptly authenticate the 'financial information submitted by the Bank/Lender, as and when requested by the concerned 'IU' .

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**SCHEDULE I**

<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
1.	Place of execution of this Deed	
2.	Date of execution of this Deed	
3.	Name and Address of the Guarantor(s) and other details for the notice clause	<p>(a) In case the Guarantor is an individual: [●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <p>(b) In case the Guarantor is a company: [●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(c) In case the Guarantor is a partnership firm: M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership Deed], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p> <p>(d) In case the Guarantor is a limited liability partnership: M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorised partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless</p>



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Sr. No.	Title	Details
		<p>repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(e) In case the Guarantor is a sole proprietorship: M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p> <p>(f) In case the Guarantor is a Hindu Undivided Family: [●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p> <p>(g) In case the Guarantor is a trust: M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorised pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p> <p>(h) In case the Guarantor is a society: M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorised pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p>

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Sr. No.	Title	Details
4.	Name and address of the branch of the Bank/Lending Office	
5.	Jurisdiction for Guarantor **	

\*\* Note : Jurisdiction For **Guarantor** (i) If under Sr. No 1 above, 'Place of Execution' is within **North Zone** : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within **South Zone** : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within **East Zone** : Courts/Tribunals in Kolkatta; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in **Mumbai**

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**SCHEDULE II**

Sr. No.	Terms	Details
1.	Details of the Borrower	
2.	Details of the Facilities	[Details of the Term Loan Facility and/or Working Capital Facility to be inserted]
3.	Description of the Facility Agreement	[The Term Loan Facility Agreement dated _____ executed between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time (" <b>Term Loan Agreement</b> "); and/or  The Working Capital Facility Agreement dated _____ executed between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time (" <b>Working Capital Facility Agreement</b> ").]
4.	Default Rate	

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**IN WITNESS THEREOF** the Guarantor(s) has/have set his/her/their hand(s) to these presents on this day and year first above written:<sup>8</sup>

In case the Guarantor is an Individual:

\_\_\_\_\_  
**Guarantor Signature**

\_\_\_\_\_  
**Guarantor Initial**

[Note: Both the signature and the initials to be obtained on this page from the individual or a power of attorney holder of the individual. Clause to be suitably modified if the document is being executed by the power of attorney holder of the Guarantor with following statements "In case the Guarantor is an individual executing through the Guarantor's power of attorney holder" and "Guarantor's **Power of Attorney Holder's Signature**" "Guarantor's **Power of Attorney Holder's Initial**"]

In case the Guarantor is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

[Note : To be suitably modified based on the Articles of Association of the company.]

\_\_\_\_\_  
<sup>8</sup> The signing clause to be suitably modified based on the capacity of the Guarantor

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In case the Guarantor is a partnership firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the Guarantor by its partners:

(j) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(k) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(l) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties

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may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Guarantor is a proprietorship concern:

For M/s. [●]

\_\_\_\_\_

**(Proprietor Signature)**

\_\_\_\_\_

**(Proprietor Initial)**

[Note: Both the signature and the initials to be obtained on this page]

In case the Guarantor is a HUF:

For [●], a Hindu Undivided Family

\_\_\_\_\_

**(Karta Signature)**

\_\_\_\_\_

**(Karta Initial)**

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

In case the Guarantor is a Trust/Society:

For [●], acting as the [●] of the Guarantor, authorized under

**B2B- R & MSME Disbursement Documents/Agreements**

resolution dated [●] passed by [●] of  
the Guarantor.

\_\_\_\_\_  
[insert designation]

**Signature**

\_\_\_\_\_  
[insert designation]

**Initial**

[Note: Both the signature and the initials to be obtained  
on this page. Clause to be suitably modified based on the  
bye laws of the trust/ society ]

**SIGNED AND DELIVERED** by the duly authorised  
signatory of **AXIS BANK LIMITED**

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**To be stamped as an Agreement for creating hypothecation (in case there is a specific article for hypothecation)/ an Agreement and Indemnity and POA as per the applicable state stamp act**

### **DEED OF HYPOTHECATION<sup>9</sup>**

**THIS DEED OF HYPOTHECATION** executed at the place and date mentioned under Sr. No. 1 and Sr. No. 2 of the Schedule I hereunder written by the security provider and described under Sr. No. 3 of the Schedule I hereunder written (therein and hereinafter referred to as “**the Security Provider**”).

### **IN FAVOUR OF**

**AXIS BANK LIMITED**, a company, incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ‘Trishul’, 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and one of the branch offices at the place as specified in Sr. No. 4 of the Schedule (hereinafter referred to as the “**Bank**” which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns).

(The Security Provider and the Bank, wherever the context so admits, are hereinafter individually referred to as “**Party**” and collectively as “**Parties**”)

### **W H E R E A S**

1. With a view to meet part of the business and capital requirements of the Borrower, the Borrower has agreed to avail from Bank and Bank has agreed to provide to the Borrower various facilities in diverse forms aggregating to the amount mentioned in Sr. No. 1 of the Schedule II hereunder written (hereinafter called “**the Facilities**” which expression includes so much thereof as may be outstanding from time to time and also includes within the overall aggregate amount any inter-change among the diverse forms and the sub-limit therefor) on the terms and conditions set out in the facility agreements mentioned in Sr. No. 2 of the Schedule II hereunder written (hereinafter referred to as “**Facility Agreement**”, which term includes any amendment thereof as may be made from time to time).
2. One of the conditions of the Facility Agreements is that the Facilities together with all the other Secured Obligations (defined hereafter) shall, inter alia, be secured, as a continuing security created in favour the Bank, by a charge by way of hypothecation in favour Axis Bank

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<sup>9</sup> Maybe executed as an unattested deed of hypothecation as there are exemptions available under certain stamp acts for the same.



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on all the assets of the Security Provider as listed under Schedule V hereunder written with such ranking as mentioned against them under Schedule III.

3. Bank has called upon the Security Provider to execute these presents which the Security Provider has agreed to do in the manner hereinafter expressed.

**NOW THEREFORE THESE PRESENTS WITNESSETH THAT:**

**1. Definitions**

- 1.1 All capitalized terms used in this Deed unless the context otherwise requires, will have the meanings given to such terms in the Facility Agreement<sup>10</sup>.

OR

All capitalized terms used in this Deed unless the context otherwise requires, will have the meanings given herein<sup>11</sup>.

- 1.2 In addition:

“**Borrower**” shall mean \_\_\_\_\_<sup>12</sup>

“**Current Assets**” shall have the meaning as provided under Schedule V.

“**Events of Default**” shall mean the events of default as provided under

“**Existing Charge-holders**” shall mean the persons specified in Schedule III (Existing Charge-holders), having an existing charge on the Charged Assets<sup>13</sup>.

“**Facility Agreement**” shall mean the facility agreement the details of which are provided in Sr. No. 2 of the Schedule II.

“**Facilities<sup>14</sup>**” shall mean shall mean the Facilities the details of which are provided in Sr. No. 1 of the Schedule II

“**Secured Obligations**” shall mean the ‘Loan Obligations’ as specified in the Facility Agreement the details of which are provided in Sr. No. 2 of the Schedule II.

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<sup>10</sup> Note: To be deleted in case Borrower is not the Security Provider.

<sup>11</sup> Note: To be deleted in case Borrower is the Security Provider.

<sup>12</sup> If the Borrower and Security Provider are the same mention “Security Provider” and otherwise provide the details of Borrower.

<sup>13</sup> Note: To be deleted in case there are no existing charge holders for the Charged Assets.

<sup>14</sup> Note: To be modified depending on which facilities are secured.

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“**Security Interest**” shall mean the ‘Security Interest’ as specified in the Facility Agreement the details of which are provided in Sr. No. 2 of the Schedule II

“**Term Loan Agreements**<sup>15</sup>” shall mean the existing term loan agreement the details of which are provided in Sr. No. 3 of the Schedule II.

“**Work Capital Loan Agreements**<sup>16</sup>” shall mean the existing term loan agreement the details of which are provided in Sr. No. 4 of the Schedule II.

### **1.2 Interpretation and construction**

(a) The provisions of interpretation and construction of the Agreement shall apply to this Deed as though they were set out in full in this Deed except that references to the Agreement are to be construed as references to this Deed<sup>17</sup>.

(b) The provisions contained herein shall be read in conjunction with the provisions of the Facility Agreement and, in the event of any inconsistency or repugnancy, the former shall prevail to all intents and purposes. All schedules hereof shall form an integral part of this Deed.

### **2. Covenant to Repay**

2.1 In pursuance of the Facility Agreement and in consideration of Bank having provided / agreed to provide Facilities on the terms and subject to the conditions set out in the Facility Agreement and in consideration of the premises, the Security Provider here by agrees, confirms and undertakes that the Security Provider shall pay / repay the Facilities with all other Secured Obligations in accordance with the Financing Documents and to indemnify the Bank against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Obligations in accordance with the Finance Documents. The Security Provider shall duly observe and perform all the terms and conditions of the Facility Agreement and other Financing Documents to which it is a party.

### **3. Charge**

3.1 In further pursuance of the Facility Agreement and for the consideration aforesaid and as continuing security for the payment and discharge of the Secured Obligations, the Security Provider acting as the legal and/or beneficial owner of the assets as provided here under, written and described correspondingly under Schedule V hereunder written are hereby hypothecated as and by way of charge (hereinafter referred to as the

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<sup>15</sup> Note: To be deleted if no term loan facility existing or provided for.

<sup>16</sup> Note: To be deleted if no working capital facility existing or provided for.

<sup>17</sup> Note: To be deleted in case Borrower is not the Security Provider

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said “**Charged Assets**”) in favour of Bank with such ranking as is more particularly specified under Schedule III hereunder written, as security for the payment / repayment of the Secured Obligations.

3.2 Any floating charge on the Current Assets shall be automatically and without prior notice by the Bank to the Security Provider converted into a fixed charge upon the occurrence of any Event of Default.

- (a) Provided further that until conversion of the floating charge into a fixed charge as specified above, the Security Provider shall have the right to utilize the Current Assets in the ordinary course of its business.
- (b) Provided further that the Security Provider shall be permitted to use/ dispose off the Current Assets or any part thereof in the ordinary course of its business.

### 4. **Representations and warranties**

- 4.1 In order to induce the Bank to enter into the Financing Documents and to induce the Bank to accept the present security, the Security Provider has made the representations and warranties set forth herein.
- 4.2 The Security Provider acknowledges and accepts that the Bank has agreed to enter into this Deed on the basis of, and in full reliance of the warranties made herein.
- 4.3 The Security Provider further confirms and warrants that:
  - (a) The Security Provider has valid corporate existence and is/are conducting its/ their business in full compliance with all the Applicable Laws;
  - (b) The Security Provider is legally entitled and possessed of the corporate powers to execute, deliver and perform the terms and provisions of this Deed and has taken all necessary corporate actions to authorise the execution, delivery and performance by it of this Deed;
  - (c) This Deed when executed and delivered will constitute its legal, valid and binding obligation;
  - (d) Neither the execution and delivery by the Security Provider of this Deed, nor the Security Provider’s compliance with or performance of the terms and provisions hereof will contravene any provision of Applicable Law or will violate any provision of the Memorandum and Articles of Association or any agreement or other document by which the Security Provider (or any of its properties) may be bound;
  - (e) The Security Provider does not have any outstanding lien or obligation to create liens with respect to the interests secured by this Deed except (i) those

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secured by this Deed and by the other Security Documents; or (ii) in relation to the facility already granted by the Existing Chargeholders; or (iii) in relation to the Security Interest to be created as permitted under the Financing Documents;

- (f) The provisions of this Deed are effective to create in favour of the Bank, a legal, valid and binding security expressed to be created in Section 3 on all of the Charged Assets on which the Security Provider purports to grant charges and assignments pursuant hereto;
- (g) All necessary and appropriate recordings and filings have been and shall be made in all appropriate public offices, and all other necessary and appropriate action has been taken and/or shall be taken so that this Deed creates effective security on all right, title, estate and interest of the Security Provider in the Charged Assets;
- (h) All Authorisations for the creation, effectiveness, priority and enforcement of such security have been obtained, unless required under Applicable Law to be obtained subsequent to the execution of this Hypothecation;
- (i) The financial statements in respect of the Security Provider delivered to the Bank, including those that were delivered to the Bank prior to the date of this Deed (including where applicable the audited accounts of the Security Provider as audited by the statutory auditor of the Security Provider), are the most recent financial statements available and such financial statements were prepared in accordance with generally accepted accounting principles applied consistently in India, and give a true and fair view of the financial condition of the Security Provider and of the operations of the Security Provider at the date as of which they were prepared. There has been no material change in the financial condition or the operations of the Security Provider from the date on which such financial statements were prepared or drawn up;
- (j) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might be expected to affect the validity or enforceability of this Deed and the other Financing Documents to which the Security Provider is a party or have a Material Adverse Effect, have been started or threatened against the Security Provider;
- (k) The Security Provider has not taken any corporate action or other action nor has any other step been taken or is likely to be taken or legal proceedings been started or threatened against the Security Provider for winding-up, dissolution, suspension of payments, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Security Provider or of any or all of their assets or revenues;

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- (l) The Security Provider has obtained and is validly maintaining all insurances and reinsurances in respect of all the Charged Assets in accordance with the Applicable Law and that save as permitted under the Financing Documents, to which the Security Provider is a party, and each such insurance is free from any Security Interest; and
- (m) There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.

4.4 The Security Provider further represents and warrants to and undertakes with the Bank that the foregoing representations and warranties made by it are and will be true and accurate throughout the continuance of this Deed and so long as the Secured Obligations or any part of them remain outstanding with reference to the facts and circumstances existing from time to time.

### **5. Affirmative and Information Covenants of the Security Provider**

#### **5.1 Affirmative Covenants**

In further pursuance of the Agreement and for the consideration aforesaid, the Security Provider doth hereby further agree, declare and covenant with the Axis Bank as follows :-

(a) **Authorizations**

The Security Provider shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect; and supply certified copies to the Bank of, any authorisation (including but not limited to any RBI approvals, if any) required under any law or regulation of India to enable it to perform its obligations under the Financing Documents to which it is a party and to ensure the legality, validity, enforceability or admissibility in evidence of any Financing Document to which it is a party.

(b) **Applicable Law**

The Security Provider shall comply in all respects with all Applicable Laws including such other environmental permits as required to which it may be subject and shall at all times carry on and conduct its affairs in a lawful manner and shall comply with such other conditions as may be stipulated by the Bank from time to time on account of requirement of any Applicable Law.

(c) **Books of Accounts**

The Security Provider shall keep proper books of record and accounts adequate to reflect truly, accurately and fairly the financial condition and results of operations of the Security Provider in which full, true and correct entries shall be made in conformity with the Applicable Law and generally accepted accounting principles in India.

(d) **Constitutional Documents**

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The Security Provider shall carry out such alterations to its Memorandum and Articles of Association as may be required by the Bank to give effect to the provisions of this Agreement. The Security Provider shall not make any amendments to its Memorandum and Articles of Association which may adversely affect any rights of the Bank under the Financing Documents.

(e) Security Creation and Perfection

The Security Provider shall file with the concerned Registrar of Companies, Form CHG-1 within 10 (ten) days from the date hereof and perfect the Security Interest being created on the Charged Assets.

(f) Stamp Duty

The Security Provider shall bear and discharge all stamp duty, registration fees and any other fees whatsoever, payable at any time in connection with the creation of the Security Interest on the Charged Assets.

(g) Third party purchaser

No purchaser or any other third party dealing with the Security Provider and/or any receiver in pursuance of the exercise of the powers of the Security Provider and/or the receiver hereunder shall be bound or howsoever required to verify the occurrence of a an Event of Default or whether any of the Secured Obligations remain due to the Security Provider or otherwise as to the propriety or regularity of the exercise of the rights of the Security Provider and/or its duly authorised representatives or be concerned to see or enquire whether the right of the Security Provider and/or the receiver to exercise any of the powers hereby conferred have arisen or not. The receipt by the Security Provider and/or the receiver of any monies paid to it shall be a good and sufficient discharge to such purchaser or third party paying the same.

(h) Identification

The Security Provider shall display a plate stating "HYPOTHECATED TO AXIS BANK LIMITED" at prominent places where the Charged Assets which are secured to the Bank are located. The Security Provider shall at all times maintain such plates in good order, clearly and prominently visible and free of obstructions.

(i) Maintenance and Insurance of Charged Assets

The Security Provider shall at its expense keep the said Charged Assets in marketable and good condition and shall ensure that all the Charged Assets are adequately insured at all times, with financially sound and reputable insurers against any loss or damage by theft, fire, lightening, earthquake, explosion, riot, strike, civil commotion, storm, tempest, flood, marine risk, erection risk, war risk, transit risk, hazards incidental to the acquisition, transportation and delivery of the assets involved in the place of use or installation as stipulated in the Facility Agreement and / or as the Axis Bank may , from time to time, require and in such amounts as are normally

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maintained by persons carrying on the same or a similar class of business, to the satisfaction of the Bank. The Security Provider shall deliver to Bank the relevant policies of insurance duly assigned to the Axis Bank and maintain such insurance throughout the continuance of the security of these presents and deliver to the Axis Bank the renewal receipts / endorsements / renewed policies therefor and till such insurance policies / renewal receipts / endorsements are delivered to the Bank, the same shall be held by the Security Provider in trust for the Bank. The Security Provider shall duly and punctually pay all premia and shall not do or suffer to be done or omit to do or be done any act which may invalidate or avoid such insurance. In case of Event of Default, Bank may (but shall not be bound to) keep in good condition and render marketable the relevant Charged Assets and take out / renew such insurance. Any premium paid by Axis Bank and any cost, charges and the expenses incurred by Axis Bank shall forthwith on receipt of a notice of demand from Axis Bank be reimbursed by the Security Provider to Axis Bank together with interest thereon at the interest rate and in the manner as applicable to the Facilities under the Facility Agreement, from the date of payment till the date of repayment thereof and till such repayment by a Security Provider, the same shall be a charge on the Charged Assets. The Security Provider further expressly agrees that Axis Bank shall be entitled, at its sole discretion, (i) to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and the such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Security Provider, and (ii) to receive all monies payable under any such insurance or under any claim made thereunder and to give a valid receipt therefore, and the amount so received shall be adjusted towards repayment / payment of amounts in respect of the Facilities and the Security Provider shall not raise any question that a larger sum might or ought to have been received or be entitled to dispute liability of the Security Provider for the balance remaining due after such adjustment.

(j) **Payment of Taxes**

The Security Provider shall pay all rents, taxes and outgoings in respect of the Charged Assets and/ or any immovable property in or on which such of the Charged Assets may for the time being be lying / or stored and shall keep such immovable property insured against loss or damage by fire and against such other risk as may be required by Axis Bank and shall produce a copy of the policies of insurance to Bank whenever required by the Bank. In the event the Security Provider fails to procure or maintain such insurance to the satisfaction of the Bank, Bank shall be entitled (though not bound to do so) to procure/ maintain such insurance on the immovable properties over which the Charged Assets or part thereof is situated. Any payments made by Axis Bank be reimbursed by the Security Provider to Axis Bank together with interest thereon at the interest rate and in the manner as applicable to the Facilities under the Facility Agreement, from the date of payment till the repayment thereof

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and until such Secured Obligations is fulfilled by the Security Provider, the same shall be a charge on the Charged Assets.

(k) Delivery of Books

In respect of book debts provided by way of security to the Bank hereunder, the Security Provider shall transfer and deliver to the Bank contracts, securities, bazaar chits, bills, notes, hundies and all other documents and sign all deeds, papers and documents required in connection thereto.

(l) Inspection Rights

Axis Bank's authorized person(s), nominee(s) shall be entitled, at all times without notice to the Security Provider and at the risk and expenses of the Security Provider and, if so required, as attorney for and in the name of the Security Provider, to enter any place where the Charged Assets and / or all records and documents in relation thereto may be kept and inspect, value, insure, superintendent disposal and / or take particulars of all or any part of the Charged Assets and check any statements, accounts, reports, information, books of accounts, and for the purpose of such entry, do all acts, deeds and things deemed necessary by Axis Bank including breaking open of any place where the Charged Assets and / or records and documents in relation thereto may be lying or stored or kept; the Security Provider undertakes that unimpaired access to the aforesaid place will be made available to Axis Bank and their respective agents and nominees at all times as may be required by Axis Bank.

(m) Availability of Surplus

If there shall be a surplus available in the hands of the Bank after payment of the Secured Obligation, such surplus shall be applied by the Bank in accordance with the Facility Agreements and can also be utilized towards payment or liquidation of all and any other monies which shall be or may become due from the Security Provider to the Bank whether solely or jointly with any other person or persons or company. The Security Provider hereby expressly agrees and acknowledges the right of the Bank to utilize the surplus in the manner as specified herein.

(n) Title on the Charged Assets

Save as permitted herein the Security Provider hereby declares that the Charged Assets are and will at all times be the absolute property of the Security Provider at the sole disposal of the Security Provider and subject to the charges created and/or are to be created as permitted under the Facility Agreements be free from any charge, trust, pledge, lien, claim or encumbrance and as to future goods / assets, the same shall likewise be unencumbered, absolute and disposable property of the Security Provider with full power of disposition over the same. The Security Provider shall not compound or release any of the book debts, if any, constituting part of neither the Charged Assets nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the approval of the Axis Bank.

(o) Charged Assets are movable goods

The Security Provider hereby declares that none of the equipment(s) and / or machinery(ies), if any, forming part of the Charged Assets, is / are attached to the



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earth or permanently fastened to anything attached to the earth with the intension of making or causing it / them as immoveable property(ies) and further agrees and undertakes that during the currency of this security it will not make or cause to make the equipment(s) and / or machinery(ies), if any, that may form part of the Charged Assets, attached to the earth or permanently fastened to anything attached to the earth with the intension of making or causing to make it / them as immoveable property(ies).

(p) Further documents

The Security Provider agrees and undertakes to execute such other deeds or documents as may be required by Axis Bank to further perfect, protect and / or enforce the security created hereunder.

(q) Rights of Axis Bank

The Security Provider agrees and covenants that nothing herein shall prejudice rights or remedies of the Axis Bank in respect of any present or future security / guarantee obligation or decree for any indebtedness or liability of the Security Provider to Axis Bank.

### 5.2 Information Covenants

The Security Provider shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 5.2, as applicable, and in all cases within 2 (two) Business Days after the Security Provider obtains knowledge thereof, the Security Provider shall provide the information/ notice to the Bank of the following:

- a. details of any event which results in or is likely to result in the occurrence of Material Adverse Effect;
- b. the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Security Provider, and which might, if adversely determined, have a Material Adverse Effect;
- c. the details of any notice of any application made in relation to the Security Provider under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Security Provider, or for appointment of a receiver in relation to any of assets or business or undertaking of the Security Provider;
- d. the details of any proposal by any Governmental Authority to acquire compulsorily the Security Provider, any of the Charged Assets or any part of the Security Provider's business or assets (whether or not constituting an Event of Default hereunder);
- e. the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);

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- f. the occurrence of any event or the existence of any circumstances which constitutes or results in any declaration, representation, warranty, covenant or condition under the Financing Documents to which the Security Provider is a party, being or becoming untrue or incorrect in any respect; and
- g. the occurrence of any event which results or is likely to result in the closure of the factory or stoppage of work or operation of the Security Provider due to strike, lock-out, mechanical breakdown, want of raw materials, non-movement of finished goods, power storage or/and for any other reason.

### **6. Consequences of Events of Default**

- 6.1 On the occurrence of an Event of Default, the Bank or their nominees or authorized persons shall without any notice and without assigning any reason and at the risk and the expense of the Borrower and/or the Security Provider, if necessary, as attorney for and in the name of the Security Provider, be entitled (without prejudiced to any other rights and remedies) exercise such rights and remedies, including (but not limited to):
- (a) to enter into and upon the premises of the Security Provider and / or any other person who then has possession of the Charged Assets, to seize, recover, collect, withdraw, receive the Charged Assets and / or any income, profits and the benefits thereof without interruption or hindrance by the Security Provider and / or by any person(s);
  - (b) to remove, and / or sell by public auction or by private contract, dispatch or consign for realization or otherwise dispose off or deal with all or any part of the Charged Assets and enforce, realize, 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 without intervention of any court of law;
  - (c) to ask, demand, sue for, recover and receive of and from at the constituents, customers, agents and dealers of the Security Provider and all other persons liable to pay, transfer and deliver any debt or debts, sum or sums of money, goods, chattels and effects due and owing to the Security Provider by virtue of any security or upon any balance of account or otherwise howsoever and upon receipt thereof or any part thereof for the Security Provider and in the name of the Security Provider to give, sign and execute good and sufficient receipts, release, reconveyances and other discharges for the same respectively;
  - (d) upon non-payment, non-transfer or non-delivery thereof or any part thereof respectively to commence, carry on and prosecute any action, suit or other proceedings whatsoever for recovering and compelling the payment, transfer or delivery thereof respectively and for that purpose to engage solicitors and advocates and to settle and pay their fees;

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- (e) to be freed and discharge and well and sufficiently save and kept harmless and indemnified of, from and against all former and other estates, titles, claims, demands, charges and encumbrances whatsoever, or to direct the Security Provider and / or other concerned person to sell, assign or otherwise liquidate any or all of Charges Assets;
  - (f) to claim the proceeds of any such sale or liquidation;
  - (g) to retain all amounts / other proceeds received or receivable by the Axis Bank in respect of the Charged Assets and use them, in the whole or part, towards repayment / payment of all amounts in respect of the Facilities;
  - (h) to direct the Security Provider and / or the other concerned persons in writing to deliver the Charged Assets to Axis Bank on a date and time indicated by Axis Bank, in which event, the Security Provider shall, at its own expense;
    - i. Deliver/ forthwith cause the same to be delivered to Axis Bank;
    - ii. Provide / cause to provided such guards and maintenance services as may be necessary to protect the same; and
    - iii. to exercise such other rights and remedies as available under Applicable Law.
- 6.2 Notwithstanding any pending suit or other proceedings, the Security Provider undertakes to give immediate possession of the Charged Assets and all records / documents in relation thereto to the nominees or authorized persons of Axis Bank, on demand, and to transfer and deliver to Axis Bank all relative bills, contracts, securities and documents and the Security Provider hereby agrees to accept Axis Bank account of sales and realization as sufficient proof of amounts realized and relative expenses and pay on demand any shortfall thereby shown. Provided, however, that Axis Bank shall not in any way be liable or responsible for any loss, damage or depreciation that the relevant Charged Assets may suffer or sustain on any account whatsoever whilst the same or in possession of Axis Bank or by reason of exercise or non – exercise of rights and remedies available to Axis Bank as aforesaid.
- 7. Appointment of Receiver**
- 7.1 Bank, at any time after the Security Interest hereby created has become enforceable and whether or not Axis Bank shall then have been entitled to or taken possession of and in relation to the powers herein before conferred upon Axis Bank after such entry into or taking possession of, may have a receiver or receivers appointed in respect of the Charged Assets or any part thereof.
- 7.2 The Security Provider shall irrevocably appoint the Bank and each receiver as the Security Provider's attorney vesting the Bank and each receiver with inter alia full power and authority to act in the place and instead and on behalf of itself and in its name in order to fulfill the obligations of the Security Provider under this Deed and the Security Provider further agrees and acknowledges that such power of attorney would be coupled with interest and irrevocable and shall remain in force and effect till the Secured Obligations have been repaid to the satisfaction of the Bank.

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- 7.3 Such receiver shall have and exercise all rights, powers and authorities vested in the Bank herein set forth or as such receiver may have under the Applicable Law or equity or as the Bank may think expedient, including the following rights, power and authorities which shall be in addition to the rights, powers and authorities of the Bank:
- (a) Unless otherwise directed by the Axis Bank, such Receiver shall have and exercised all powers and authorities vested in Axis Bank;
  - (b) Such Receiver shall, in exercise of his powers, authorities and discretion, confirm to the regulation and directions from time to time made and given by Axis Bank;
  - (c) Axis Bank, may from time to time fix the remuneration of such Receiver and shall direct payment thereof out of the Charged Assets, but the Security Provider alone shall be liable for the payment of such remuneration;
  - (d) Axis Bank 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 and may fix nature and amount of the security to be given to Axis Bank, but Axis Bank shall not be bound to require such security in any case;
  - (e) Axis Bank 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 Axis Bank may, from time to time, determine what funds the Receiver shall be at liberty to keep in hand with a view to performance of his duties as such Receiver;
  - (f) Every such Receiver shall be the agent of the Security Provider for all purposes and the Security Provider alone shall be responsible for his acts and defaults, loss or misconduct and liable on any contract or engagement made or entered into by him and for his remuneration and Axis Bank shall not incur any liability or responsibility therefore by reason of their making or consenting to his appointment as such Receiver.
  - (g) shall have the authority to act upon and enforce the provisions of this Deed or to adopt appropriate remedies in that behalf and may in that behalf adopt remedies in relation thereto as appropriate and shall exercise all powers under this Deed in accordance with Indian law and may exercise, without further notice.
  - (h) declare by notice to the Security Provider that all or part of the Secured Obligation to be immediately due and payable (or on such dates as the Bank, or the receiver may specify), whereupon they shall become so due and payable;
  - (i) enter into the premises where the Charged Assets are kept, whether installed or not and whether lying loose or in cases or which are lying or stored in or about or shall hereafter from time to time be brought into or upon or be stored or be in or about all the Security Provider's premises, warehouses and godowns or wherever else the same may be or be held by any party to the order or disposition of the Security Provider, and seize, take possession and/or dismantle and/or remove the Charged Assets from wherever they are located. Upon the Bank or the receiver exercising any of the rights detailed above, the Security Provider shall, thereafter, take no action inconsistent with or prejudicial to the right of the Bank or the

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receiver to appropriate the Charged Assets in such manner as it deems fit (including the right to use and enjoy the same and to receive the income, profits and benefits without interruption or hindrance by the Security Provider or by any other Person). The Bank or the receiver shall be freed and discharged from the Security Provider or otherwise be well and sufficiently saved and kept harmless and indemnified from and against all former and other estates, title, claims, demands and Security Interests whatsoever in connection with the Charged Assets or in pursuance of the exercise of the rights and powers of the Bank or the receiver under this Deed. The Bank or the receiver shall not be in any way liable or responsible for any loss or damage that the Charged Assets may suffer or sustain on any account whatsoever whilst the same are in possession of the Bank and/or the receiver or by reason of exercise or non-exercise of rights and remedies available to the Bank and/or the receiver, as aforesaid and all such loss, damage or deterioration shall be wholly debited to the account of the Security Provider howsoever the same may have been caused. The Bank or the receiver shall receive the income and profits over the outgoings, first in payment of the expenses incurred in managing the Charged Assets and thereafter in payment of the amounts accruing to the Bank or the receiver under this Deed and the Security Provider shall take no action prejudicial to the right of the Bank or the receiver to quietly possess, use and enjoy the same and to receive the income, profits and benefits thereof without interruption or hindrance by the Security Provider or by any person whatsoever.

- (j) sell by public auction or private treaty or otherwise dispose of or deal with the Charged Assets in such manner for such consideration and generally on such terms and subject to such conditions as it may think fit, with full power to convey, assign or otherwise transfer the Charged Assets on behalf of the Security Provider or the other legal or registered owner. Subject to Applicable Laws, the consideration may be in the form of cash, debentures, shares, stock or other valuable consideration and may be payable immediately or by installments spread over such period as the Bank or the receiver shall think fit so that any consideration received in a form other than cash shall forthwith on receipt be and become charged towards the payment of the Secured Obligations and for the said purpose the Charged Assets or any part thereof may be severed and sold, separately from the premises containing them and the Bank or the receiver may apportion any rent and the performance of any obligations affecting such sold or disposed of premises without the consent of the Security Provider;
- (k) institute, prosecute and defend any proceedings in the name of the Security Provider or otherwise as may seem expedient in relation to the Charged Assets;
- (l) to manage or carry on or concur in carrying on the business of the Security Provider (including, without limitation, the management and operation of the facilities of the Security Provider as the receiver shall consider fit, in each case, without being responsible or liable for any loss or damage);

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- (m) to make any arrangement, settlement or compromise between the Security Provider and any other Person or pay any compensation or incur any obligation which the Bank or the receiver shall consider fit;
- (n) enter into any contracts in relation to the Charged Assets which the Bank or the receiver shall think expedient;
- (o) to sell, call in, collect, convert into money, license, grant options to sell, deal with or manage or concur in, selling, licensing, granting options to sell, dealing with or managing and to vary, terminate or accept surrenders of, licenses or otherwise dispose of any part of the Charged Assets on an installment basis or otherwise and generally in such manner and upon such terms and conditions as the Bank or the receiver may consider fit;
- (p) insure and keep insured the Charged Assets against loss or damage by such risks and contingencies as the Bank or the receiver may think fit, in such manner and in all respects as the Bank may think fit, and to maintain, renew or increase any insurances in respect of the Charged Assets;
- (q) to make and effect all repairs, renewals, alterations, improvements, additions and developments, to or in respect of the Charged Assets;
- (r) execute and do all such acts, deeds and things as may appear to the Bank or the receiver necessary or proper in relation to any of the aforesaid purposes;
- (s) perform all such acts, deeds and assurances as may be necessary or proper for the purpose of securing and for more perfectly assuring the repayment, redemption and discharge of the Secured Obligation or any part thereof;
- (t) operate the accounts and appropriate all monies lying therein in the manner as deemed fit;
- (u) sign and file any applications, statements, declarations and other papers as may be required under the provisions of any Applicable Law and in particular, to apply for and obtain the permissions and consents of any Government entity for execution and registration of such Security Interest in such form as the Bank may require and all such other deeds and documents for the purpose of enforcing the Security Interest created under this Deed and for the above purposes to and appear for and on behalf of the Security Provider before the Government Entity and/or the competent authority;
- (v) appoint valuers, managers, agents, officers, solicitors, accountants, auctioneers, brokers, architects, engineers, workmen or other professional or non-professional advisers, agents or employees for any of the aforesaid purposes at such salaries or for such remuneration and for such periods as the Bank or the receiver may determine or to dismiss any of the above and to delegate to any Person any of the powers hereby conferred on the Bank or the receiver; and
- (w) do all such other acts and things as may be considered by the Bank or the receiver to be incidental or conducive to any of the matters or powers aforesaid or otherwise incidental or conducive to the preservation, perfection, improvement, realisation or enforcement of the Security Interest created by this Deed.

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- (x) for the purpose of exercising any of the powers, authorities and discretions conferred on it by this Deed and/or defraying any costs or expenses which may be incurred by the receiver in the exercise thereof or for any other purpose, to borrow from the Bank or any other Person on such terms (with or without security) as the Bank shall consider fit and so that, with the prior written consent of the Bank, any such security may be or include a charge on the whole or any part of the Charged Assets ranking wholly or partly in priority to or pari passu with the security created hereunder provided that no person lending such money shall be concerned to enquire as to the existence of such consent or the terms thereof or as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;
- (y) to obtain all clearances, planning consents and permissions, approvals and any other consents or licenses necessary or appropriate to carry out any of the matters referred to in this Deed or otherwise as the Bank or receiver shall consider fit;
- (z) to bring, prosecute, enforce, defend and discontinue all such actions and proceedings in relation to the Charged Assets or any part thereof as the Bank or the receiver, as the case may be, shall consider fit or relating in any way to the Charged Assets or part thereof;
- (aa) to sell, lease or otherwise dispose of all or any part of the Charged Assets including plant, machinery or other fixtures;
- (bb) to implement or continue the development of and/or complete any assembly or installation of any property comprised in the Charged Assets and do all acts and things incidental thereto, including obtaining all licenses and other consents required in connection therewith;
- (cc) in the exercise of any of the above powers, to expend such sums as the Bank or the receiver, as the case may be, may think fit. All such sums incurred by the Bank or the receiver shall forthwith, on receipt of a notice of demand from the Bank or the receiver, be reimbursed by the Security Provider together with interest thereon at the rate which is equal to the Default Interest Rate and until such reimbursement by the Security Provider, such amounts shall form part of the Secured Obligation.

### **7.4 Conditions of appointment of the Receiver**

- (a) Where more than one receiver is so appointed any reference in this Deed to a receiver shall apply to both or all of the receivers so appointed and the appointment shall be deemed to be a joint and several appointment so that the rights, powers, duties and discretions vested in the receiver may be exercised jointly by the receivers so appointed or severally by each of them.
- (b) In the exercise of any of the above powers, Bank may expend such sums as it may think fit and the Security Provider shall forthwith on demand reimburse all such sums so expended together with interest at the rate which is equal to the Default Rate and

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until such reimbursement by the Security Provider, such amounts shall form part of the Secured Obligations.

- (c) Bank may at any time and from time to time delegate to any Person or persons or fluctuating body of persons of all or any of the powers, authorities and discretions which are for the time being exercisable by it under this Deed in relation to the Charged Assets or any part thereof and any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as may be necessary or desirable by Bank and the Bank shall not be in any way liable or responsible to any other person for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.
- (d) The Security Provider shall not raise any objections regarding the regularity of the sale and/or auctions undertaken by the Bank and/or the receiver nor shall the Bank and/or the receiver be liable for any loss that may be caused or occasioned from the exercise of such power and/or may arise from any act or default on the part of any broker or auctioneer or other person or body engaged by the Bank and/or the receiver for the said purpose.
- (e) The Bank may, from time to time, fix the remuneration of such receiver and shall direct payment thereof out of the Charged Assets, but the Security Provider alone shall be liable for the payment of such remuneration.
- (f) The Bank may pay over to the receiver any monies constituting part of the securities with the intent that the same may be applied for the purpose hereof by such receiver and the Bank may, from time to time, determine what funds the receiver shall be at liberty to keep in hand with a view to enable the performance of his duties as such receiver.
- (g) The Security Provider alone shall be responsible for the remuneration of any such receiver and the Bank shall not incur any liability or responsibility thereof by reason of their making or consenting to his appointment as such receiver. The Bank shall be in no way responsible for any acts, defaults, misconduct, misfeasance, malfeasance or negligence on the part of any such receiver and losses, if any, caused thereby. The Bank shall not be liable in respect of any debts or other liabilities incurred by any such receiver whether the Security Provider shall or shall not be in liquidation. Any such receiver appointed shall be the agent of the Security Provider for all purposes as provided under this Deed and the Security Provider alone shall be responsible for any acts, defaults, misconduct, misfeasance, malfeasance or negligence on the part of any such receiver and losses, if any, caused thereby. The Security Provider shall be liable in respect of any debts or other liabilities incurred by any such receiver whether the Security Provider shall or shall not be in liquidation.
- (h) 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 Bank.



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### **8. Waivers**

- 8.1 Notwithstanding, (a) any grant of any time, indulgence, concession, waiver, forbearance or consent at any time given to the Security Provider; or (b) any delay on the part of the Bank or receiver in applying or appropriating the Charged Assets or any part thereof towards payment or discharge of the Secured Obligations or any part thereof; or (c) the making or forbearing to make any demand on the Security Provider for payment; or (d) the enforcement or forbearance to enforce this Deed or any other agreement, lien, guarantee, indemnity, right or Security Interest the taking, existence or release of any other agreement, guarantee, indemnity, right or Security Interest, the security created hereunder shall continue to remain unaffected and will not be affected by reason of the relevant account pertaining to the Facilities being brought to credit at any time or of its being drawn upon to the full extent and afterwards being brought to credit, and the security shall continue and remain in full force and effect till such time the Secured Obligations are paid in full to the Satisfaction of the Bank and termination of the Facility Agreement and the Security Provider's liability in respect of the Facilities shall not be affected, impaired or discharged by winding up / insolvency / death / dissolution / conversion/ merger or amalgamation / demerger/ reconstruction / determination or otherwise liquidation of the Security Provider or take over of the management or nationalisation of the undertaking of the Security Provider, as the case may be.

### **9. Nature of Security**

- 9.1 If any amount paid by the Security Provider in respect of the Facilities is avoided or set aside on the winding-up, liquidation or dissolution or administration of the Security Provider or otherwise, then for the purpose of this Deed such amount shall not be considered to have been paid when such payment is returned to the Security Provider or any other claimant by the Bank.
- 9.2 The security created under this Deed shall remain unaffected by any inter-changeability among the diverse forms constituting the Facilities or increase or decrease of any of the sub-limits within the aggregate Facilities secured under this Deed and shall remain in full force and effect.
- 9.3 The security created under this Deed may be enforced against the Security Provider without first having recourse to any other rights of the Bank.

### **10. Negative Covenants**

- 10.1 All the Charged Assets and all sale realisations and insurance proceeds thereof and all documents /records under this security shall always be kept distinguishable and held for the benefit of Axis Bank and specifically appropriated to this security and be dealt with only under the directions of the Axis Bank and the Security Provider shall not create any charge, mortgage, lien or other encumbrance upon or over the same or any part thereof except as permitted under the Facility Document nor suffer any such charge, mortgage, lien or other encumbrance or any attachment or distress to affect the same or any part thereof nor do or allow anything that may prejudice this security and the Axis Bank shall

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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. PROVIDED that except to the extent specifically permitted by Axis Bank hereunder or otherwise in writing, the Security Provider shall not sell or dispose off all or any of the Charged Assets in any manner whatsoever and the Security Provider shall on any and every such sale or disposal pay to Axis Bank, if so required by them, the net proceeds of the sale or disposal in satisfaction, so far as the same shall extend, of the monies, due and payable by the Security Provider to the Axis Bank. **[Note: As the equipments of the Security Provider have been charged under this Deed, the last section of the sentence has been deleted]**

- 10.2 The Security Provider further covenants and agrees that, so long as the Secured Obligations are outstanding, and until the full and final payment of all the Secured Obligations to the satisfaction of the Bank, the Security Provider shall not, without the prior written consent of the Bank
- a. enter into any scheme of merger, amalgamation, compromise or reconstruction or declare any dividend or do a buyback;
  - b. wind up, liquidate or dissolve its affairs or pass any resolution or otherwise take any steps for voluntary winding up or liquidation or dissolution;
  - c. agree, authorise or otherwise consent to any proposed settlement, resolution or compromise of any litigation, arbitration or other dispute with any person which in the opinion of the Bank may have a Material Adverse Effect;
  - d. permit any change in the general nature of the business of the Security Provider, ownership or control of the Security Provider (both management and shareholding) whereby the effective beneficial ownership or control of the Security Provider, as represented to the Bank, shall change either directly or indirectly; and
  - e. make any amendments in the Security Provider's constitutional documents, including but not limited to its memorandum of association and articles of association (as may be applicable).

### **11. Reporting Requirements**

- 11.1 The Security Provider shall, whenever required by the Axis Bank, give full particulars to the Axis Bank of all the Charged Assets and other assets of the Security Provider and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Axis Bank and make, furnish and execute all necessary documents to give effect to this security.

### **11. Appointment of Axis Bank and the Receivers as Attorney**

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11.1 The Security Provider hereby appoints Axis Bank and each of the Receivers as its agent or attorney and authorizes Axis Bank and each of the Receivers to act for and in the name of the Security Provider to demand, sue for, receive and recover and give effectual discharges for all or any of the receivables that may form part of the Charged Assets and hereby hypothecated and for that purpose to file suits, to declare claims, make affidavits to employ solicitors / advocates, to compromise and refer to arbitration and do such acts and things as could have been done by the Security Provider in the matter of recovery of the receivables forming part of the Charged Assets and also do whatever the Security Provider may be required to do under this Deed and generally to use the name of the Security Provider in the exercise of all or any of the powers by this Deed conferred on Axis Bank and the Security Provider shall bear the expenses that may be incurred in this regard and shall also be liable entirely for all risks and consequences in connection with the aforesaid. The Security Provider ratifies and confirms and agrees to ratify and confirm any instrument, act or thing which such attorney or substitute may execute or do or cause to be done in exercise of the aforesaid powers.

### **12. Indemnity**

12.1 Bank and every receiver, attorney, manager, agent or other person appointed by it shall be entitled to be indemnified by the Security Provider in respect of all liabilities and expenses incurred by it in the execution or purported execution of the powers of the Axis Bank including liabilities and expenses consequent to any mistake, oversight or error of judgment (other than those involving any gross negligence or wilful default or fraud (as determined by a court of competent jurisdiction)) on the part of the Axis Bank, or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in anywise relating to the Charged Assets.

12.2 Axis Bank shall not be under any liability whatsoever towards the Security Provider or any other person for any loss or damage to the Charged Assets from or in whatever cause or manner arising whether such Charged Assets shall be in the possession of the Axis Bank or not at the time of such loss or damage or the happening of the cause thereof. The Security Provider shall at all times indemnify and keep indemnified the Axis Bank from and against all suits, proceedings, cause, charges, claims and demands whatsoever that may at any time arise or be brought or made by any person against Axis Bank in respect of any acts, matters and the things lawfully done or caused to be done by Axis Bank in connection with the Charged Assets or in pursuance of the rights and power of Axis Bank under this Deed, the Facility Agreement and / or other Financing Documents.

### **13. Notice**

(j) Communications in writing

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(l) Any communication to be made under or in connection with the Financing Documents shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier, email, registered or certified mail or facsimile. The Security Provider hereby authorises the Bank to communicate with it vide telephonic, messages and related services, regardless of any restricting legal/regulatory provisions in this regard.

(ii) Provided that any communication issued by the Security Provider by way of facsimile or by email shall be accompanied by the original hard copy of such communication duly signed by the Security Provider or any of the authorised officers (as may be applicable) to be delivered within 3 (three) Business Days of such facsimile or email. Each such hardcopy communication shall be accompanied by a note which shall state that 'this is a hardcopy of the fax/email instructions to you from the Security Provider sent/ transmitted on [insert date on which email/fax was sent] at approximately [insert time at which email/fax was sent]'

(k) Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:

in case of the Security Provider: As detailed in Sr. No. 3 of the Schedule I,

in case of the Bank: As detailed in Sr. No. 4 of the Schedule I,

or any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

(l) Delivery

(iv) All such notices and communications made or delivered by the bank to another Party under or in connection with this Agreement shall be effective (i) if sent by facsimile, when sent (on receipt of a confirmation to the correct facsimile number), (ii) if sent by person, when delivered, (iii) if sent by courier, (a) 1 (one) Business Day after deposit with an overnight courier if for inland delivery and (b) 5 (five) Business Days after deposit with an international courier if for overseas delivery and (iv) if sent by registered letter when the registered letter would, in the ordinary course of post, be delivered

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whether actually delivered or not (v) if sent by email, once it has gone out of the mailbox of the sender.

- (v) Any communication or document to be made or delivered to the Bank will be effective only when actually received by the Bank and then only if it is expressly marked for the attention of the department or officer details of which have been provided in above.

### (m) English language

- (i) Any notice given under or in connection with any Financing Document must be in English.
- (ii) All other documents provided under or in connection with any Financing Document must be in English, or if not in English, and if so required by the Bank, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

### (n) Reliance

- (i) Any notice sent under this Clause 15.1 (e) can be relied on by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).
- (ii) Each Party must take care to ensure that no forged, false or unauthorised notices are sent to another Party.
- (iii) The Bank may rely on the instructions received by way of facsimile or email in accordance with this Clause 15.1, provided that it shall not be obliged to, await receipt of the original hardcopy of such instruction (as specified in Clause 15.1 (c) above) prior to taking any action-in connection with such instructions received by way of facsimile or email.

### (o) Indemnity for communication through facsimile or email

- (xxv) The Security Provider hereby requests and authorizes the Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Agreement and the

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other Financing Documents by way of facsimile or email by the Security Provider or any of its authorized officers.

- (xxvi) The Security Provider acknowledges that:
- (C) sending information by facsimile or email is not a secure means of sending information;
  - (D) it is aware of the risks involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:
    - 7. be fraudulently or mistakenly written, altered or sent; and
    - 8. not be received in whole or in part by the intended recipient.
  - (E) the request to the Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Security Provider only.
- (xxvii) The Security Provider declares and confirms that the Security Provider has for its convenience and after being fully aware of, and having duly considered, the risks involved, (which risks shall be borne fully by the Security Provider) requested and authorised the Bank to rely upon and act on instructions which may from time to time be given by facsimile or email as mentioned above. The Security Provider further declares and confirms that it is aware that the Bank has agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Security Provider providing this indemnity and agreeing, confirming, declaring and indemnifying the Bank hereunder and that the Bank would not have done so in the absence of such indemnity. The provisions of this Clause 15.1 (f) shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Agreement and the other Financing Documents.
- (xxviii) The Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Bank may from time to time specify and the Security Provider shall be responsible for any improper use of such code or test.

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- (xxix) Notwithstanding anything contained herein or elsewhere, the Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Security Provider and the Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- (xxx) In consideration of the Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Security Provider hereby agrees to indemnify the Bank and keep the Bank at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile.
- (xxxi) Upon receipt by the Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Security Provider or by any of its authorized officer) shall be deemed (if the Bank chose to act upon the same) to conclusively constitute the mandate of the Security Provider, to the Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Security Provider or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.

The Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology..

### **14. Ranking**

The priority of the Security Interest of the Bank in respect of the security being created on the Charged Assets is as specified in Schedule III.

### **15. Cost and expenses**

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The Security Provider shall pay or cause to be paid, all present and future imposts, costs, duties, taxes, fees, statutory levies, interest tax, fees, stamp duty, processing fee, login fees, costs, service/prepayment and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Security Interest, the Financing Documents to which the Security Provider is the party (including payment for the preparation, printing, execution and amendment of the Financing Documents, due diligence, creation of security, legal opinion, stamp duty, claims and expenses including expenses which may be incurred by the Security Provider in the enforcement or attempted enforcement of security created in favour of the Bank) and the payment of any and all amounts under the Financing Documents to which the Security Provider is the party. In the event the Security Provider fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Security Provider and the Security Provider shall forthwith reimburse the same together with any interest applicable on such payment under the Facility Agreements.

**16. Deficiency**

The Security Provider shall remain liable to the Bank for any deficiency occurring, arising or existing under the Financing Documents to which the Security Provider is a party.

**17. Discharge and Releases**

Notwithstanding any discharge, release or settlement from time to time between Bank and the Security Provider, if any discharge or payment in respect of the Facilities by the Security Provider or any other Person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision of Applicable 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 Bank shall be entitled hereafter to enforce this Deed as if no such discharge, release or settlement had occurred.

**18. Amendment**

Any amendment to this Deed shall be in writing and would need the consent of all the Parties. Any waiver of any of the rights of any of the Parties to this Deed shall be in writing and not operate as a waiver for all subsequent similar events.

**19. Evidence of Debt**

In the event of any dispute between the Security Provider and the Bank, including any legal proceedings, the entries made in the accounts by the Bank shall, save for any manifest error, be conclusive evidence of the existence and amount of obligations of the Security Provider as therein recorded.

Any certification or determination by the Bank of a rate or amount under this Deed shall,



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save for any manifest error, be conclusive evidence of the matters to which it relates.

### **20. Transfer and assignment**

The Security Provider shall not assign or transfer any of its rights and/ or obligations under this Deed. The Bank may, at any time, assign and/ or transfer all or any of its rights, benefits and obligations under this Deed, without furnishing any notice to or obtaining the consent of the Security Provider, to any other Person, in accordance with the Facility Agreement.

### **21. Financing Documents**

The Security Provider acknowledges that it has reviewed, acclimatized to, and understood, the Financing Documents and this Deed (as and when executed) and is / shall be fully aware of the implications thereof.

### **22. Severability**

Any provision of this Deed which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that shall not invalidate the remaining provisions of this Deed or affect such provision in any other jurisdiction.

### **23. DISCLOSURE<sup>18</sup>**

The Security Provider also agrees, undertakes and confirms as under:

- (y) The Security Provider understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Bank requires the Security Provider's consent for the disclosure by the Bank of, information and data relating to the Security Provider, of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
- (z) Accordingly, the Security Provider hereby agrees and gives consent for the disclosure by Bank of all or any such:
  - (j) information and data relating to the Security Provider;
  - (iv) the information of data relating to the Facilities; and
  - (v) default, if any, committed by the Security Provider, in discharge of the Security Provider's obligations under this Deed,

as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies ("CIC") and any other agency authorised in this

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<sup>18</sup> This clause is required if the Security Provider is a Third Party

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behalf by Reserve Bank of India (“RBI”) and/or to any other statutory or regulatory authority who may seek such information.

- (aa) The Security Provider declares that the information and data furnished by the Security Provider to the Bank are true and correct. The Security Provider also undertakes that:
    - (iii) Any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
    - (iv) Any CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
  - (bb) The Security Provider agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause and also the information relating to the conduct of the Security Provider’s accounts, credit history or repayment record, with other banks / financial institutions, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Security Provider shall not hold the Bank liable in any manner for use of such information.
  - (cc) Security Provider hereby agrees that, the Security Provider is liable to be treated as a Wilful defaulter in terms of the applicable RBI guidelines, in the event, the Bank makes a claim on the Security Provider on account of the default made by the Borrower, and the Security Provider refuses to comply with the demand made by the Bank, despite having sufficient means to make payment of the Obligations.
  - (dd) The Security Provider agrees that in case the Security Provider commits a default in payment or repayment of any amounts under this Deed, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Security Provider, its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.
24. All disputes, differences and / or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Lender/Bank, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender/Bank may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required

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to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held at Mumbai/Delhi/Kolkata/Bangalore/Chennai/Kochi. The arbitral procedure shall be conducted in English.

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**SCHEDULE I**

[Note: The Schedule to be suitably modified based on the capacity of the Security Provider and the terms of the Sanction Letter. The terms which are not applicable to the Security Provider should be marked as 'Not Applicable'.]

Sr. No.	Title	Details
1.	Place of Execution	
2.	Date of the Deed	
3.	Name and Address of the Security Provider <sup>19</sup>	<p>(a) In case the Security Provider is an individual:</p> <p>[●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <p>(b) In case the Security Provider is a company:</p> <p>[●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p>

<sup>19</sup> To be suitably modified based on the capacity of the Security Provider

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Sr. No.	Title	Details
		<p>(c) In case the Security Provider is a partnership firm:</p> <p>M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership deed], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p> <p>(d) In case the Security Provider is a limited liability partnership:</p> <p>M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorised partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(e) In case the Security Provider is a sole proprietorship:</p> <p>M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p>

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Sr. No.	Title	Details
		<p>(f) In case the Security Provider is a Hindu Undivided Family:</p> <p>[●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p> <p>(g) In case the Security Provider is a trust:</p> <p>M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorised pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p> <p>(h) In case the Security Provider is a society:</p> <p>M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorised pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p>
4.	Name and address of the Branch of the Bank/Lending Office	
5.		

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**Schedule II**

**Details of the Facilities and the Facility Agreements**

<b>S.No.</b>	<b>Description</b>	<b>Details</b>
1.	Facilities:	
2.	Facility Agreements	
3.	Term Loan Agreements	
4.	Working Capital Loan Agreements	
5.	<b>Total</b>	

**Schedule III**

**Ranking of the Security Interest**

Assets listed under first column of the below table and described in Schedule –II shall constitute security for the Facilities as per ranking indicated against the said Charged Asset in the Second Column of the below table.

<b>Asset List</b>	<b>Floating/Fixed</b>	<b>Ranking</b>
Current Assets	Floating	Exclusive / First / Second
Moveable Properties	Fixed	Exclusive / First / Second
DPG Machinery	Fixed	Exclusive / First / Second
Specific Equipments	Fixed	Exclusive / First / Second
Account Assets	Fixed	Exclusive / First / Second

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Receivables	Fixed	Exclusive / First / Second
Specific Assets	Fixed	Exclusive / First / Second

**Schedule IV: Existing Charge Holders<sup>20</sup>**

<b>S.No.</b>	<b>Asset List</b>	<b>Name of the Existing Charge Holders</b>
1.	Current Assets	
2.	Moveable Properties	
3.	DPG Machinery	
4.	Specific Equipments	
5.	Account Assets	
6.	Receivables	
7.	Specific Assets	

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<sup>20</sup> Note: To be retained in case there are existing chargeholders.



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### SCHEDULE – V

#### **(Description of Assets listed under Schedule IV hereinabove)**

[**Note:** To be appropriately modified based on the security package for the transaction.]

**1. Current Assets :**

The whole of the Security Provider's stocks of raw materials, goods-in-process, semi-finished and finished goods, consumable stores and spares and such other movables, including book debts, bills, whether documentary or clean, both present and future, whether in the possession or under the control of the Security Provider or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Security Provider's factories, premises and godowns situate at <sup>21</sup> \_\_\_\_\_ or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the “**Current Assets**”, which expression shall, as the context may permit or require, mean any or each of such Current Assets).

**2. Moveable Properties :**

The whole of the Security Provider's moveable properties (save and except Current Assets) including its movable plant and machinery, machinery spares, tools and accessories, non – trade receivables and other movables, both present and future, whether in the possession or under the control of the Security Provider or not, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Security Provider's factories, premises and godowns situated at <sup>22</sup> \_\_\_\_\_ or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the “**Moveable Properties**”, which expression shall, as the context may permit or require, mean any or each of such Moveable Properties).

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<sup>21</sup> to incorporate the details of the location where such assets are lying

<sup>22</sup> to incorporate the details of the location where such assets are lying

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**3. DPG Machinery :**

The whole of the machinery purchased / to be purchased on deferred payment terms including its spares, tools and accessories, software, both present and future, whether in the possession or under the control of the Security Provider or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be stored or be in or about all the Security Provider's factories, premises and godowns situated at <sup>23</sup> \_\_\_\_\_ or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the “**DPG Machinery**”, which expression shall, as the context may permit or require, mean any or all of such DPG Machinery), short particulars whereof are set out below:

[ GIVE BRIEF DESCRIPTION OF THE DPG MACHINERY ACQUIRED ON DPG TERMS ]

**4. Specific Equipments :**

The whole of :

[ GIVE BRIEF DESCRIPTION OF THE EQUIPMENT ]

of the Security Provider including its spares, tools and accessories, software, whether installed or not and whether in the possession or under the control of the Security Provider or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about the Security Provider's factories, premises and godowns situate at <sup>24</sup> \_\_\_\_\_, or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the “**Specific Equipment**”, which expression shall, as the context may permit or require, mean any or each of such Equipment).

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<sup>23</sup> to incorporate the details of the location where such assets are lying

<sup>24</sup> to incorporate the details of the location where such assets are lying

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5. Account Assets :

**All the accounts of the Security Provider with all the branches of Bank<sup>25</sup> (“Axis Bank Accounts”) and all rights, title, interest, benefits, claims and demands whatsoever of the Security Provider in, to, under and in respect of the Axis Bank Accounts and all monies including all cash flows and receivables and all proceeds arising from / in connection with \_\_\_\_\_ and insurance proceeds payable into the Axis Bank Accounts, which have been deposited / credited / lying in the Axis Bank Accounts, all investments, assets, instruments and securities which represent all amounts in the Axis Bank Accounts, both present and future (referred to as the “Account Assets”, which expression shall, as the context may permit or require, mean any or each of such Account Assets).**

6. Receivables :

All amounts owing to, and received and/or receivable by, the Security Provider and/or any person on its behalf, all book debts, all cash flows and receivables and proceeds arising from / in connection with \_\_\_\_\_, and all rights, title, interest, benefits, claims and demands whatsoever of the Security Provider in, to or in respect of all the aforesaid assets, including but not limited to the Security Provider’s cash-in-hand, both present and future (referred to as the “Receivables”, which expression shall, as the context may permit or require, mean any or each of such Receivables).

7. Specific Assets :

The specific assets of the Security Provider (referred to as the “Specific Assets”) short particulars  
whereof are given below :

[ GIVE SPECIFIC DETAILS OF THE SPECIFIC ASSETS ]

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<sup>25</sup> Note: to confirm.

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**IN WITNESS WHEREOF** the Security Provider has caused this Deed to be executed on the day, month and year first herein above written, and the Bank has caused this Deed to be executed by the hand of its authorised officer as hereinafter appearing:<sup>26</sup>

In case the Security Provider is an Individual:

\_\_\_\_\_  
**Security Provider's Signature**

\_\_\_\_\_  
**Security Provider's Initial**

[Note: Both the signature and the initials to be obtained on this page from the individual or a power of attorney holder of the individual. Clause to be suitably modified if the document is being executed by the power of attorney holder of the borrower with following statements "In case the Security Provider is an individual executing through the Security Provider's power of attorney holder" and "**Security Provider's Power of Attorney Holder's Signature**" "**Security Provider's Power of Attorney Holder's Initial**"]

In case the Security Provider is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

\_\_\_\_\_  
<sup>26</sup> The signing clause to be suitably modified based on the capacity of the Security Provider

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[Note : To be suitably modified based on the Articles of Association of the company.]

In case the Security Provider is a partnership firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the Security Provider by its partners:

(m) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(n) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(o) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Security Provider is a Proprietorship Concern:

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For M/s. [●]

\_\_\_\_\_

(Proprietor **Signature**)

\_\_\_\_\_

**(Proprietor Initial)**

[Note: Both the signature and the initials to be obtained on this page]

**In case the Security Provider is a HUF:**

For [●], a Hindu Undivided Family

\_\_\_\_\_

(Karta **Signature**)

\_\_\_\_\_

**(Karta Initial)**

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

**In case the Security Provider is a Trust/Society:**

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

\_\_\_\_\_

[insert designation]

**Signature**

\_\_\_\_\_

[insert designation]

**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society.]

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**SIGNED AND DELIVERED** by the duly  
authorised signatory of **AXIS BANK**  
**LIMITED**

## **B2B- R & MSME Disbursement Documents/Agreements**

- *Stamping to be done as applicable as per the state stamp Act.*
- *Ensure to delete the footnotes, text boxes and instructions on finalization of document.*

### **SIMPLE MORTGAGE INDENTURE (WITHOUT POSSESSION)**

This **INDENTURE OF SIMPLE MORTGAGE** (“**Indenture**”) executed at place set out in **Sr. No. 1 of the Schedule I** and on the day, month, year set out in **Sr. No. 2 of the Schedule I**, by the persons named in **Sr. No. 3 of the Schedule I** ( hereinafter referred to as the “**Security Provider**”<sup>27</sup>, which expression shall, unless repugnant to the context, be deemed to include its novatee and transferees);

**IN FAVOUR OF,**

**AXIS BANK LIMITED**, a company incorporated under the Companies Act, 1956 and an existing company within the meaning of the Companies Act, 2013, carrying on the banking business under the Banking Regulation Act, 1949 and having its registered office at “Trishul”, Third Floor. Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006 and having one of its branch office at place stated in **Sr. No. 5 of the Schedule I** (hereinafter referred to as the “**Bank**” which expression shall include its successors and assigns);

**WHEREAS:**

- (a) At the request of the Borrower named in **Sr. No. 4 of the Schedule I** (hereinafter referred to as the “**Borrower**”), the Bank has granted/agreed to grant the credit facilities mentioned in **Sr. No. 1 of the Schedule II** (hereinafter referred to as the “**Facility**”) to be secured in terms of the Facility Agreement, inter alia, by a simple mortgage of the property by the Security Provider in favour of the Bank on the terms and conditions agreed under the Sanction Letter.
- (b) The Security Provider is the absolute and exclusive owner and is otherwise well and sufficiently entitled jointly, inter alia, to all the rights, title and interests in respect of the Immovable Properties as described in detail in **Schedule III**, which is free from all encumbrances, attachments, charges and liens whatsoever.
- (c) In consideration of the Bank having granted/ agreed to grant Facility to the Borrower and accept the full repayment of the Secured Obligations from the said Borrower as aforesaid to the satisfaction of the Bank, the said Security Provider hereby guarantees the repayment of the Secured Obligations to the Bank in accordance with the terms of the covenants herein contained.

**NOW THIS INDENTURE WITNESSES AS FOLLOWS:**

#### **1. DEFINITIONS**

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<sup>27</sup> Note: If the Borrower is the Security Provider, this draft should be appropriately amended.



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**1.1** All capitalized terms used in this Indenture unless the context otherwise requires, will have the meanings given to such terms in the Facility Agreement<sup>28</sup>.

OR

All capitalized terms used in this Indenture unless the context otherwise requires, shall have the meanings given herein<sup>29</sup>.

**1.2** In addition<sup>30</sup>:

**“Business Day”** means a day on which the lending office of the Bank, as described in **Sr. No. 5 of the Schedule I**, in respect of the Facility or through which the Borrower has to make payment or repayment in respect of the Facility, is open for normal business transactions.

**“Default Interest”** shall mean the default rate of interest applicable on the Loan or any unpaid interest as provided under the Facility Agreement, the Existing Term Loan Agreements and the Existing Working Capital Agreements.

**“Events of Default”** shall mean the events of default as provided under the Facility Documents.

**“Existing Chargeholders”<sup>31</sup>** shall mean the existing chargeholders the details of which are provided in **Sr. No. 7 of the Schedule II**.

**“Existing Term Loan Agreements”<sup>32</sup>** shall mean the existing term loan agreement the details of which are provided in **Sr. No. 4 of the Schedule II**.

**“Existing Work Capital Agreements”<sup>33</sup>** shall mean the existing working capital loan agreement the details of which are provided in **Sr. No. 5 of the Schedule II**.

**“Facility Agreement”** shall mean the facility agreement the details of which are provided in **Sr. No. 2 of the Schedule II**.

**“Facility”** shall mean shall mean the facility the details of which are provided in **Sr. No. 1 of the Schedule II**.

**“Immovable Properties”** shall have the meaning ascribed to it under Clause 5 of this Indenture, more particularly described under **Schedule III**, hereto and includes any other properties that are required to be mortgaged under this Indenture.

**“Loan”** means the principal amount outstanding for the time being under the Facility.

**“Material Adverse Effect”** shall mean the material adverse effects under the Facility Agreement.

**“Sanction Letter”** shall have the meaning as mentioned in **Sr. No. 3 of the Schedule II**.

**“Secured Obligations”** shall mean all amounts owing, due or payable to the Bank pursuant to the terms of the Facility Agreement, including without limitation:

- (a) any and all sums advanced by the Bank in order to preserve the Immovable Properties or preserve any of the assets forming part of the Immovable Properties

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<sup>28</sup> Note: To be deleted in case Borrower is not the Security Provider.

<sup>29</sup> Note: To be deleted in case Borrower is the Security Provider.

<sup>30</sup> Note: Any reference to the Existing Working Capital Agreement to be deleted from this Indenture in case there are no existing working capital loan agreement. Further, if there are no existing term loan agreement then the reference to the Existing Term Loan Agreement is to be deleted from this Indenture.

<sup>31</sup> Note: To be deleted if there are no existing chargeholders.

<sup>32</sup> Note: To be deleted if there are no existing term loan agreement.

<sup>33</sup> Note: To be deleted if there are no existing working capital loan agreement.

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including but not limited payment of stamp duty, insurance premium, statutory levies; and

- (b) in the event of any proceeding for the collection or enforcement of the Secured Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Immovable Properties, or of any exercise by the Bank of the rights under the financing documents, together with legal fees and court costs; and
- (c) the Loan and all interest on the Loan, the Default Interest, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Security Provider, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with the Facility Agreement.

**“Security Interest”** shall mean security created in favour of the Bank pursuant to the provisions of Clause 5 hereunder..

**“Transfer of Property Act”** shall mean the Transfer of Property Act, 1882, as amended from time to time.

## **2. CONSTRUCTION**

- 2.1** The provisions of interpretation and construction of the Facility Agreement shall apply to this Indenture as though they were set out in full in this Indenture except that references to the Facility Agreement are to be construed as references to this Indenture<sup>34</sup>.

OR

In this Indenture, unless the context otherwise requires:

- (hhh) Singular shall include plural and the masculine gender shall include the feminine and neutral gender;
- (iii) a **“financing document”** or any other agreement or instrument is a reference to that financing document or other agreement or instrument as amended, supplemented, extended or restated;
- (jjj) a **“person”** includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
- (kkk) a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other

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<sup>34</sup> Note: To be deleted in case Borrower is not the Security Provider.

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- authority or organisation;
- (lll) a “**Clause**” or “**Schedule**”, is a reference to a clause in, or schedule to, this Indenture;
- (mmm) a “**party**” to this Indenture or a “**person**” shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the Facility Agreement);
- (nnn) an “**amendment**” includes a supplement, modification, novation, replacement or re-enactment and “**amended**” is to be construed accordingly;
- (ooo) an “**authorised signatory**” means a person that has been duly authorised by another person (the “**other person**”) to execute or sign the Facility Agreement (or other document or notice to be executed or signed by the other person under or in connection with any Facility Agreement) on behalf of that other person;
- (ppp) “**control**” includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (qqq) “**assets**” include all properties whatsoever both present and future, (whether tangible, intangible or otherwise) (including intellectual property rights), investments, cash-flows, revenues, rights, benefits, interests and title of every description;
- (rrr) a reference to “**encumbrance**” includes a mortgage, charge, lien, pledge, hypothecation, Security Interest or any lien of any description whatsoever
- (sss) “**hereof**”, “**herein**” and “**hereto**” and words of similar import when used with reference to a specific Clause in, or Schedule to, this Indenture shall refer to such Clause in, or Schedule to, the Indenture, and when used otherwise than in connection with specific Clauses or Schedules, shall refer to the Indenture as a whole;
- (ttt) “**other**”, “**or otherwise**” and “**whatsoever**” shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (uuu) the word “**includes**” or “**including**” are to be construed without limitation;
- (vvv) a provision of law is a reference to that provision as amended or re-enacted;
- (www) all or any other conditions as specified in the Sanction Letter shall form an integral part of this Indenture and the Sanction Letter shall always be read in conjunction with this Indenture at all times and in case of any inconsistency between the two, the provisions of this Indenture shall prevail;
- (xxx) all approvals, permissions, consents or acceptance required by the Security Provider from the Bank for any matter shall require the “prior and written” approval, permission, consent or acceptance of the Bank;
- (yyy) words and abbreviations, which have well known technical or trade or

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commercial meanings are used in the Indenture in accordance with such meanings;

(zzz) in the event there are more than 1 (one) Security Provider providing security under this Indenture, a reference to the term Security Provider shall deem to include a reference to all the Security Providers under this Indenture; and

(aaaa) clause and schedule headings are for ease of reference only and shall not be used in any way for purposes of interpreting this Indenture.

**2.2** The provisions contained herein shall be read in conjunction with the provisions of the Facility Agreement and, in the event of any inconsistency or repugnancy, the former shall prevail to all intents and purposes. All schedules hereof shall form an integral part of this Indenture.

### **3. BENEFIT OF INDENTURE**

Subject to the powers and provisions contained herein and in the Facility Agreement, the Bank shall hold the Security Interest created by the Security Provider in its favour under this Indenture over the Immovable Properties and all other rights, title and interest pursuant to this Indenture, as security for the due payment and discharge of the Secured Obligations.

### **4. COVENANT TO PAY**

The Security Provider hereby covenants with the Bank to pay, discharge and satisfy all Secured Obligations as payable under the Facility Agreement and to indemnify the Bank against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy all the Secured Obligations as set out under the Facility Agreement.

### **5. CHARGE**

In pursuance of the Facility Agreement and in consideration of the promises aforesaid, the Security Provider hereby grants, and transfers into the Bank by way of simple mortgage as security for the Facility all his/her/their rights, titles and interest in the land together with all the trees and other growths thereon, the buildings, erections, structures, fixtures, fittings, equipment and machinery which now are or hereafter at any time during the continuance of this security be erected or standing or attached to or affixed to the land or any part thereof including all rights, liberties, privileges, easement, advantages, appurtenances and assessments in respect thereof AND all the estate, right, title, interest, claim and demand whatsoever of the Security Provider into and upon the said property, more particularly described in Schedule III (hereinafter referred to as the "Immovable Properties").

### **6. SECURITY**

#### **6.1 Continuing Security**

The Security Interest created by or pursuant to this Indenture is a continuing security and shall remain in full force and effect till all the Secured Obligations are repaid in full to the satisfaction of the Bank, notwithstanding any intermediate payment or

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settlement of account or other matter or thing whatsoever and, in particular, the intermediate satisfaction by the Security Provider of the whole or any part of the Secured Obligations in accordance with the Facility Agreement.

### **6.2 Other Security**

The Security Interest created hereunder:

- (a) is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, or be affected by any other security interest, right of recourse, guarantee, lien, indemnity or other right or remedy whatsoever (or the invalidity thereof) which the Bank may now or at any time hereafter hold or have (or would apart from this Security Interest hold or have) from the Security Provider or any other person in respect of the Secured Obligations; and
- (b) may be enforced against the Security Provider without first having recourse to any other rights of the Bank.

### **6.3 Cumulative Powers**

6.3.1 The powers conferred by this Indenture on the Bank and any receiver appointed hereunder are cumulative, without prejudice to their respective powers under Applicable Law and the Facility Agreement, and may be exercised as often as the Bank or the receiver thinks appropriate in accordance with Applicable Law and this Indenture.

6.3.2 The Bank 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 Security Provider acknowledges that the respective powers of the Bank 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 Bank or receiver, as relevant.

### **6.4 Avoidance of Payments**

Notwithstanding any discharge, release or settlement from time to time between the Bank and the Security Provider, if any amount paid by the Security Provider in respect of the Secured Obligations is: (i) avoided or set aside on the winding up or administration of the Security Provider or otherwise; or (ii) required to be shared by the Bank under Applicable Law or under any sharing arrangement with any other creditor of the Security Provider or any other person, then for the purpose of this Indenture such amount shall not be considered to have been paid when such payment is returned or becomes liable to be returned to the Security Provider or any other claimant by the Bank.

## **7. FURTHER ACQUISITION**

The Security Provider hereby covenants with the Bank that the Security Provider shall, promptly upon acquisition, whether by way of ownership, lease or otherwise, of any right, title or benefits to or in any other immovable property in India or elsewhere, inform the Bank and shall forthwith at its own expense without any demand on the part of the Bank grant, convey, transfer, assign, secure and charge on the terms of this

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Indenture to and for the benefit of the Bank and as and by way of additional security in such property according to their respective tenures, and pending formal execution by the Security Provider of assurances by way of additional security in favour of and for the benefit of the Bank and such after acquired property or properties shall be deemed to have always been comprised in these presents at its own expense and without any act on the part of the Bank.

### **8. EASEMENTS**

For the consideration aforesaid, the Security Provider hereby irrevocably grants full and free rights and liberty in the Immovable Properties as and by way of easement to pass, re pass and have unfettered access at all times to the Bank and its nominees, agents and representatives over the Immovable Properties, or any part thereof, in common with all other persons entitled to like rights at all time thereafter.

### **9. PROVISIONS FOR REDEMPTION**

If the Security Provider has paid in full the Secured Obligations in accordance with the Facility Agreement to the satisfaction of the Bank, the Bank shall, with reasonable promptness, upon the written request and at the expense of the Security Provider, release unto the Security Provider or as the Security Provider shall direct and do all such other things as may be reasonably necessary to release from the Security Interest created hereunder for the benefit of the Bank, without recourse and without any representation or warranty of any kind by or on behalf of the Bank, such of the Immovable Properties or only such part of the Immovable Properties which have not theretofore been sold or otherwise foreclosed, applied or released pursuant to this Indenture. Provided that such release of the Security Interest created under this Indenture shall not thereby affect or cause the reassignment, re-transfer or release of any property or assets secured under any other mortgage or charge.

### **10. REPRESENTATIONS AND WARRANTIES<sup>35</sup>**

The Security Provider shall agrees and acknowledges that each of the representations and warranties as set forth in the Facility Agreement, to the extent applicable, which representations and warranties are hereby incorporated herein by reference and made a part of the Indenture as if such covenants and other relevant provisions were set forth in full herein and are true and subsisting as of the date of this Indenture<sup>36</sup>.

OR

**10.1** In order to induce the Bank to enter into the Facility Agreement and to induce the Bank to accept the present security, the Security Provider has made the representations and warranties set forth herein<sup>37</sup>.

**10.2** The Security Provider acknowledges and accepts that the Bank has agreed to enter into this Indenture on the basis of, and in full reliance of the warranties made herein.

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<sup>35</sup> Note: The representations and warranties should be modified in accordance to the capacity of the Security Provider.

<sup>36</sup> Note: To be deleted in case the Borrower is not the Security Provider.

<sup>37</sup> Note: The representations and warranties from Clause 11.1 to 11.4 shall be deleted in case the Borrower is the Security Provider.

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**10.3** The Security Provider further confirms and warrants that:

- (a) The Security Provider has valid corporate existence and is conducting its business in full compliance with all the Applicable Laws;
- (b) The Security Provider is legally entitled and possessed of the corporate powers to execute, deliver and perform the terms and provisions of this Indenture and has taken all necessary corporate actions to authorise the execution, delivery and performance by it of this Indenture;
- (c) This Indenture when executed and delivered will constitute its legal, valid and binding obligation;
- (d) Neither the execution and delivery by the Security Provider of this Indenture, nor the Security Provider's compliance with or performance of the terms and provisions hereof will contravene any provision of Applicable Law or will violate any provision of the constitutional documents or any agreement or other document by which the Security Provider (or any of its properties) may be bound;
- (e) The Security Provider does not have any outstanding lien or obligation to create liens with respect to the interests secured by this Indenture except (i) those secured by this Indenture and by the other security documents; or (ii) in relation to the facility already granted by the Existing Charge holders; or (iii) in relation to the Security Interest to be created as permitted under the Facility Agreement;
- (f) The provisions of this Indenture are effective to create in favour of the Bank, a legal, valid and binding security expressed to be created on Immovable Properties on which the Security Provider purports to grant charges and assignments pursuant hereto;
- (g) All necessary and appropriate recordings and filings have been and shall be made in all appropriate public offices, and all other necessary and appropriate action has been taken and/or shall be taken so that this Indenture creates effective security on all right, title, estate and interest of the Security Provider in the Immovable Properties;
- (h) All authorizations and clearances for the creation, effectiveness, priority and enforcement of such security have been obtained, unless required under Applicable Law to be obtained subsequent to the execution of this Indenture;
- (i) The financial statements in respect of the Security Provider delivered to the Bank, including those that were delivered to the Bank prior to the date of this Indenture (including where applicable the audited accounts of the Security Provider as audited by the statutory auditor of the Security Provider), are the most recent financial statements available and such financial statements were prepared in accordance with generally accepted accounting principles applied consistently in India, and give a true and fair view of the financial condition of the Security Provider and of the operations of the Security Provider at the date as of which

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they were prepared. There has been no material change in the financial condition or the operations of the Security Provider from the date on which such financial statements were prepared or drawn up;

- (j) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might be expected to affect the validity or enforceability of this Indenture or have a Material Adverse Effect, have been started or threatened against the Security Provider;
- (k) The Security Provider has not taken any corporate action or other action nor has any other step been taken or is likely to be taken or legal proceedings been started or threatened against the Security Provider for winding-up, dissolution, suspension of payments, administration or re-organization or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Security Provider or of any or all of their assets or revenues;
- (l) The Security Provider has obtained and is validly maintaining all insurances and reinsurances in respect of all the Immovable Properties in accordance with the Applicable Law and that save as permitted under any facility agreement, to which the Security Provider is a party, and each such insurance is free from any Security Interest; and
- (m) There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.

**10.4** The Security Provider further represents and warrants to and undertakes with the Bank that the foregoing representations and warranties made by it are and will be true and accurate throughout the continuance of this Indenture and so long as the Secured Obligations or any part of them remain outstanding with reference to the facts and circumstances existing from time to time.

## **11. COVENANTS<sup>3839</sup>**

The Security Provider shall observe and perform each of the covenants as set forth in the Facility Agreement, to the extent applicable, which covenants are hereby incorporated herein by reference and made a part of the Indenture as if such covenants and other relevant provisions were set forth in full herein<sup>40</sup>.

OR

### **11.1 Positive Covenants<sup>41</sup>**

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<sup>38</sup> Note: Please let us know if, in addition to the covenants provided herein, you would like to build in any specific covenants for the Security Provider.

<sup>39</sup> Note: The covenants should be modified in accordance to the capacity of the Security Provider.

<sup>40</sup> Note: To be deleted if borrower is not the Security Provider.

<sup>41</sup> Note: The covenants provided in Clauses 12.1, 12.2 and 12.3 to be deleted if the Borrower is the Security Provider.



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The Security Provider hereby covenants the following, throughout the continuance of this Indenture and so long as the Secured Obligations or any part thereof remains owing, unless the Bank otherwise agrees:

(a) Authorizations

The Security Provider is legally entitled and possessed of such powers to execute, deliver and perform the terms and provisions of this Indenture and has taken all the necessary steps for the execution, delivery and performance of this Indenture. Further, the Security Provider shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect and supply certified copies to the Bank of, any authorisation (including but not limited to any RBI approvals, if any) required under any law or regulation of India to enable it to perform its obligations under the financing documents to which it is a party and to ensure the legality, validity, enforceability or admissibility in evidence of any financing document to which it is a party.

(b) Representations and Warranties

The Security Provider hereby confirms the provisions of Clause 11 (Representations and Warranties) hereto and undertakes that during the subsistence of the Security Interest created by the Security Provider in favour of the Bank the Security Provider shall not do or suffer to be done or be party or privy to any act, matter or thing which may, in any manner prejudicially affect the Security Interest and the rights created in favour of and for the benefit of the Bank;

(c) Applicable Law

The Security Provider shall comply in all respects with all Applicable Laws including such other environmental permits as required to which it may be subject and shall at all times carry on and conduct its affairs in a lawful manner and shall comply with such other conditions as may be stipulated by the Bank from time to time on account of requirement of any Applicable Law.

(d) Books of Accounts

The Security Provider shall keep proper books of record and accounts adequate to reflect truly, accurately and fairly the financial condition and results of operations of the Security Provider in which full, true and correct entries shall be made in conformity with the Applicable Law and generally accepted accounting principles in India.

(e) Delivery of Books

In respect of book debts provided by way of security to the Bank hereunder, the Security Provider shall transfer and deliver to the Bank contracts, securities, bazaar chits, bills, notes, hundies and all other documents and sign all papers and documents required in connection thereto.

(f) Constitutional Documents

The Security Provider shall carry out such alterations to its constitutional documents as may be required by the Bank to give effect to the provisions of

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this Indenture. The Security Provider shall not make any amendments to its constitutional documents which may adversely affect any rights of the Bank under this Indenture or under any other financing documents.

(g) Security Creation and Perfection

The Security Provider shall file with the concerned Registrar of Companies, Form CHG-1 within 10 (ten) days from the date hereof and perfect the Security Interest being created on the Immovable Properties in favour of the Bank.

(h) Stamp Duty

The Security Provider shall bear and discharge all stamp duty, registration fees and any other fees whatsoever, payable at any time in connection with the creation of the Security Interest on the Immovable Properties under this Indenture.

(i) Third party purchaser

No purchaser or any other third party dealing with the Security Provider and/or any receiver in pursuance of the exercise of the powers of the Security Provider and/or the receiver hereunder shall be bound or howsoever required to verify the occurrence of a an Event of Default or whether any of the Secured Obligations remain due to the Security Provider or otherwise as to the propriety or regularity of the exercise of the rights of the Security Provider and/or its duly authorised representatives or be concerned to see or enquire whether the right of the Security Provider and/or the receiver to exercise any of the powers hereby conferred have arisen or not. The receipt by the Security Provider and/or the receiver of any monies paid to it shall be a good and sufficient discharge to such purchaser or third party paying the same.

(j) Identification

The Security Provider shall display a plate stating "MORTGAGED TO AXIS BANK LIMITED" at prominent places where the Immovable Properties which are secured to the Bank are located. The Security Provider shall at all times maintain such plates in good order, clearly and prominently visible and free of obstructions.

(k) No conflict

Neither the execution and delivery by the Security Provider of this Indenture, nor the Security Provider's compliance with or performance of the terms and provisions hereof will contravene any provision of applicable law or its constitutional documents or any agreement or other document by which the Security Provider (or any of its properties) may be bound.

(l) Title

The Immovable Properties hereinbefore expressed to be granted, conveyed, assigned, assured and transferred is the sole and absolute property of the Security Provider and are not subject to any lien, lis pendens, attachment or other process issued by any court or government authority.

(m) Insurance of Immovable Properties

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The Security Provider shall at all times keep such items of Immovable Properties as are of insurable nature adequately insured at all times, with financially sound and reputable insurers against any loss or damage by fire and other risks as may be required by the Bank and shall deliver to the Bank all such policies. It shall also be lawful but not obligatory upon the Bank to insure and keep insured, by debit to the Security Provider's account(s), the Immovable Properties which are of insurable nature. The proceeds of such insurance at the option of the Bank can either be applied towards replacement of the Immovable Properties or towards satisfaction of Bank's dues hereunder.

(n) Inspection Rights

Bank's authorized person(s), nominee(s) shall be entitled, at all times without notice to the Security Provider and at the risk and expenses of the Security Provider and, if so required, as attorney for and in the name of the Security Provider, to enter any place where the Immovable Properties and / or all records and documents in relation thereto may be kept and inspect, value, insure, superintendent disposal and / or take particulars of all or any part of the Immovable Properties and check any statements, accounts, reports, information, books of accounts, and for the purpose of such entry, do all acts and things deemed necessary by Bank including breaking open of any place where the Immovable Properties and / or records and documents in relation thereto may be lying or stored or kept. The Security Provider undertakes that unimpaired access to the aforesaid place will be made available to Bank and their respective agents and nominees at all times as may be required by Bank.

(o) Maintenance of Immovable Properties

The Security Provider shall at all times and at its own cost and expense, maintain and keep in proper order, repair and in good condition the Immovable Properties. In case the Security Provider fails to keep in proper order, repair and in good condition the Immovable Properties or any part thereof, then the Bank may, but shall not be bound to maintain in proper order or repair or condition the Immovable Properties or any part thereof and any expense incurred by the Bank and its costs and charges thereof shall be reimbursed by the Security Provider and such amounts shall form a part of the Facility.

(p) Payment of Taxes

The Security Provider shall at all times during the continuance of these presents and the security hereby created pay all the ground rents, land revenue, rates, taxes present as well as future, assessments and all dues, duties and outgoings whatsoever payable in respect of the Immovable Properties immediately the same shall have become due.

(q) No further encumbrance

The Security Provider hereby further covenants and agrees that the security created on the Immovable Properties shall secure all the Secured Obligations payable by the Security Provider and that the same shall subsist notwithstanding the granting of totally new facilities, granting of new limits or relative accounts coming into credit or inter-changeability of the limits, increase,

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variation or reduction or cancellation of any of the limits granted or agreed to be or continued to the Borrower in the manner on the terms contained in all or any of the Facility Agreements including without limitation, interest, additional interest, penal interest, commission, commitment charges, losses, including any loss caused due to fluctuation in currency rates, liquidated damages, losses due to revaluation and/or devaluation, premia on prepayment, costs, charges, expenses, exchange fluctuation losses, or otherwise whatsoever stipulated in or payable under the Facility.

- (r) More than one mortgage

The Security Provider in pursuance of the Facility Agreement further agrees that if more than one mortgage is or has been created by the Security Provider for or in respect of the Facility provided, the Bank is at liberty and is entitled to treat each of the Immovable Properties as joint and several mortgage for the payment and satisfaction and redemption of the dues under the Facility.

- (s) Availability of Surplus

If there shall be a surplus available in the hands of the Bank after payment of the Secured Obligation, such surplus shall be applied by the Bank in accordance with the Facility Agreements and can also be utilized towards payment or liquidation of all and any other monies which shall be or may become due from the Security Provider to the Bank whether solely or jointly with any other person or persons or company. The Security Provider hereby expressly agrees and acknowledges the right of the Bank to utilize the surplus in the manner as specified herein.

- (t) Further documents

The Security Provider agrees and undertakes to execute such other Indentures or documents as may be required by Bank to further perfect, protect and / or enforce the Security Interest created hereunder.

- (u) Rights of Bank

The Security Provider agrees and covenants that nothing herein shall prejudice rights or remedies of the Bank in respect of any present or future security / guarantee obligation or decree for any indebtedness or liability of the Security Provider to Bank.

### **11.2 Information Covenants**

The Security Provider shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 11.2, as applicable, and in all cases within 2 (two) Business Days after the Security Provider obtains knowledge thereof, the Security Provider shall provide the information/ notice to the Bank of the following:

- (a) details of any event which results in or is likely to result in the occurrence of Material Adverse Effect;

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- (b) the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Security Provider, and which might, if adversely determined, have a Material Adverse Effect;
- (c) the details of any notice of any application made in relation to the Security Provider under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Security Provider, or for appointment of a receiver in relation to any of assets or business or undertaking of the Security Provider;
- (d) the details of any proposal by any government authority to acquire compulsorily the Security Provider, any of the Immovable Properties or any part of the Security Provider's business or assets (whether or not constituting an Event of Default hereunder);
- (e) the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);
- (f) the occurrence of any event or the existence of any circumstances which constitutes or results in any declaration, representation, warranty, covenant or condition under the financing documents to which the Security Provider is a party, being or becoming untrue or incorrect in any respect; and
- (g) the occurrence of any event which results or is likely to result in the closure of the factory or stoppage of work or operation of the Security Provider due to strike, lock-out, mechanical breakdown, want of raw materials, non-movement of finished goods, power shortage or/and for any other reason.

### **11.3 Negative Covenants**

11.3.1 All the Immovable Properties, all sale realizations, insurance proceeds thereof and all documents /records under in relation to the Security Interest shall always be kept distinguishable and held for the benefit of Bank and specifically appropriated to this security and be dealt with only under the directions of the Bank and the Security Provider shall not create any charge, mortgage, lien or other encumbrance upon or over the same or any part thereof except as permitted under the Facility Document nor suffer any such charge, mortgage, lien or other encumbrance or any attachment or distress to affect the same or any part thereof nor do or allow anything that may prejudice the Security Interest and the Bank shall be at liberty to incur all costs and expenses as may be necessary to preserve the Security Interest and to maintain the same undiminished and claim reimbursement thereof.

PROVIDED that except to the extent specifically permitted by Bank here under or otherwise in writing, the Security Provider shall not sell or dispose off all or any of the Immovable Properties in any manner whatsoever and the Security Provider shall on any and every such sale or disposal pay to Bank, if so required by them, the net proceeds of

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the sale or disposal in satisfaction, so far as the same shall extend, of the monies, due and payable by the Security Provider to the Bank.

11.3.2 The Security Provider further covenants and agrees that, so long as the Secured Obligations are outstanding, and until the full and final payment of all the Secured Obligations to the satisfaction of the Bank, the Security Provider shall not, without the prior written consent of the Bank:

- (a) enter into any scheme of merger, amalgamation, compromise or reconstruction or declare any dividend or do a buyback;
- (b) wind up, liquidate or dissolve its affairs or pass any resolution or otherwise take any steps for voluntary winding up or liquidation or dissolution;
- (c) agree, authorise or otherwise consent to any proposed settlement, resolution or compromise of any litigation, arbitration or other dispute with any person which in the opinion of the Bank may have a Material Adverse Effect;
- (d) permit any change in the general nature of the business of the Security Provider, ownership or control of the Security Provider (both management and shareholding) whereby the effective beneficial ownership or control of the Security Provider, as represented to the Bank, shall change either directly or indirectly; and
- (e) make any amendments in the Security Provider's constitutional documents, including but not limited to its memorandum of association and articles of association (as may be applicable).

## **12. SPECIFIC ACTIONS**

Without limiting the generality of the assurances and covenants hereinabove, the Security Provider will promptly upon receiving a request from the Bank:

- (a) execute a valid simple mortgage, of any freehold and leasehold properties or other interests in immovable property presently or in the future belonging to the Security Provider and which is not hereby effectively charged or secured; and
- (b) otherwise execute all transfers, conveyances, assignments, assurances and other instruments of security whatsoever and give all notices, orders, instructions and directions whatsoever, which the Bank may reasonably or by normal practice or by Applicable Law require, in relation to the Immovable Properties or in relation to the creation, perfection or enforcement of security expressed to be created hereunder in accordance with the terms of this Indenture.

## **13. FAILURE TO PAY**

The Security Provider hereby admits, acknowledges and confirms that the Security Provider is personally liable for payment of the Secured Obligations to the Bank. If the Security Provider fails to pay to the Bank the Secured Obligations or any part thereof in the manner provided in the Facility Agreement, the Immovable Properties hereby

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mortgaged and charged shall not be redeemed or be redeemable by the Security Provider or any other person or persons interested in the equity of redemption thereof at any time thereafter and the Bank shall be entitled to refuse to accept payment of the Secured Obligations.

### **14. POWERS OF THE BANK**

The Bank shall have the authority to act upon and enforce the provisions of this Indenture or to adopt all remedies in that behalf and shall exercise all powers under Applicable Law and the Facility Agreement including the power to: (i) subject to Applicable Law, sell the Immovable Properties (or part thereof) upon failure by the Security Provider to repay the Secured Obligations; and (ii) initiate suitable legal action against the Security Provider in the event the proceeds from the sale of the Immovable Properties is not sufficient to discharge the Secured Obligations.

### **15. TRANSFER OF PROPERTY ACT**

#### **15.1 Section 67A**

The provisions of Section 67A of the Transfer of Property Act shall not apply to this Indenture and the Bank, notwithstanding that the Bank may hold two or more mortgages executed by the Security Provider including this Indenture, in respect of which the Bank has the right to obtain the kind of decrees under Section 67 of the Transfer of Property Act and shall be entitled to sue and obtain such decree on any of such mortgages without being bound to sue on all such mortgages in respect of which the mortgage moneys shall have become due.

#### **15.2 Continued Possession**

It shall be lawful for the Security Provider to retain possession of and the Security Provider may use the Immovable Properties in accordance with the Facility Agreement until the Bank shall be entitled to take possession thereof in terms of this Indenture and shall take possession thereof accordingly.

#### **15.3 Not applicability**

The Security Provider shall, while in lawful possession of the Immovable Properties, have no power to make leases thereof, save and except in accordance with the terms of the Facility Agreement and with the prior consent in writing of the Bank on such terms and conditions as the Bank shall in its absolute discretion consider fit and the provisions of Sections 61 and 65A of the Transfer of Property Act shall not apply.

#### **15.4 Proceeds of the Immovable Properties**

The Bank shall not be liable to make any payment to itself from:

- (a) the income and proceeds from the Immovable Properties, except to the extent that the Bank shall have received income or proceeds from the Immovable Properties to make such payments in accordance with the terms and provisions hereof; or
- (b) the income and proceeds from the Facility Agreement except to the extent that the Bank shall have received income or proceeds of such security.

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### **16. NOT MORTGAGEE-IN-POSSESSION**

**16.1** It is hereby clarified that the Security Provider has not agreed to give possession of the Immovable Properties vide this Indenture and has not given possession of the Immovable Properties to the Bank.

**16.2** Without prejudice to the generality of this Clause hereto, the Security Provider agrees with the Bank that neither the Bank nor any receiver appointed as aforesaid shall, by reason of the Bank or such receiver entering into or taking possession of the Immovable Properties or any part thereof, be liable to the Security Provider to account as a mortgagee-in-possession for anything except actual receipts or be liable for any loss or for any default or omission for which a mortgagee-in-possession might be liable.

### **17. PROTECTION OF THE BANK AND RECEIVER: LIMITATION OF LIABILITY**

**17.1** Neither the Bank nor any receiver shall 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 their respective rights, powers, authorities, discretion's and trusts that may be vested in the Bank or the receiver unless such loss or damage is caused by the Bank's or the receiver's gross negligence or willful misconduct or fraud (as determined by a court of competent jurisdiction).

**17.2** If the Immovable Properties or any part thereof shall at any time be acquired or taken up by Government and/or by any public Authority or Body for itself or for any local body or authority or public purpose or under any law or for any other reason whatsoever the Bank shall be entitled to receive the whole of the compensation and to apply the same or a sufficient portion thereof towards repayment of the Secured Obligations.

**17.3** If in the opinion of the Bank circumstances exist under which the Bank's interests are in jeopardy, or the whole or part of its Security Interest is/are likely to be adversely affected/reduced/lost/diminished by or in consequence of any act or omission of the Security Provider or for any other reason whatsoever, then and in any one or many of such cases the money for the time being owing on the security of these presents shall at the option of the Bank immediately become payable to the Bank and it shall be entitled to mortgage debt and the decision of the Bank on whether any one or many of the aforesaid circumstances exist shall be conclusive and binding on the Security Provider. In the event of the amount due to the Bank hereunder not being fully satisfied out of the sale proceeds of the Immovable Properties, the Security Provider shall be liable personally to repay the balance to the Bank.

### **18. INSPECTION**

The Security Provider shall permit the Bank and its representatives, servants and agents either alone or with workmen and others from time to time and at all reasonable times to enter into and upon and to inspect the books of accounts, the state of all the Immovable Properties and pay all traveling, accommodation and other expenses of any



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person whom the Bank may depute for the purpose of such inspection and if the Bank shall, for any reason, decide that it is necessary to employ an expert, to pay the fees and all traveling, accommodation and other expenses of such expert.

### **19. APPOINTMENT OF ATTORNEY**

The Security Provider hereby irrevocably appoints the Bank/receiver to be its attorney, and in the name and on behalf of the Security Provider to act and execute all Indentures and things which the Security Provider is authorized to execute and do under the covenants and provisions herein contained and generally to use the name of the Security Provider in the exercise of all or any of the powers by these presents or by applicable law conferred on the Bank or any receiver appointed by the Bank and also to execute on behalf and at the cost of the Security Provider the powers hereunder or by applicable Indian law conferred on the Bank or any receiver appointed by it and also to execute on behalf and at the cost of the Security Provider such documents and indentures as may be necessary to give effect to the provisions referred to hereinabove and also for preservation, enforcement and realisation of the security and the Security Provider shall bear the expenses that may be incurred by the Bank or any Receiver in that behalf. Provided at any time prior to the occurrence of an Event of Default under the Facility Agreement, the Bank shall exercise its powers under this section only if the Security Provider fails to comply with the instructions of the Bank under this Indenture.

### **20. Indemnity**

**20.1** Bank and every receiver, attorney, manager, agent or other person appointed by it shall be entitled to be indemnified by the Security Provider in respect of all liabilities and expenses incurred by it in the execution or purported execution of the powers of the Bank including liabilities and expenses consequent to any mistake, oversight or error of judgment (other than those involving any gross negligence or wilful default or fraud (as determined by a court of competent jurisdiction)) on the part of the Bank, or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in anywise relating to the Immovable Properties.

**20.2** Bank shall not be under any liability whatsoever towards the Security Provider or any other person for any loss or damage to the Immovable Properties from or in whatever cause or manner arising whether such Immovable Properties shall be in the possession of the Bank or not at the time of such loss or damage or the happening of the cause thereof. The Security Provider shall at all times indemnify and keep indemnified the Bank from and against all suits, proceedings, cause, charges, claims and demands whatsoever that may at any time arise or be brought or made by any person against Bank in respect of any acts, matters and the things lawfully done or caused to be done by Bank in connection with the Immovable Properties or in pursuance of the rights and power of Axis Bank under this Indenture, the Facility Agreement and/or other financing documents.

### **21. Notice**

#### **21.1 Communications in writing**

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- 21.1.1 Any communication to be made under or in connection with the Facility Agreement shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier, email, registered or certified mail or facsimile. The Security Provider hereby authorizes the Bank to communicate with it vide telephonic, messages and related services, regardless of any restricting legal/regulatory provisions in this regard.
- 21.1.2 Provided that any communication issued by the Security Provider by way of facsimile or by email shall be accompanied by the original hard copy of such communication duly signed by the Security Provider or any of the authorized officers (as may be applicable) to be delivered within 3 (three) Business Days of such facsimile or email. Each such hardcopy communication shall be accompanied by a note which shall state that 'this is a hardcopy of the fax/email instructions to you from the Security Provider sent/ transmitted on [insert date on which email/fax was sent] at approximately [insert time at which email/fax was sent]'

### **21.2 Addresses**

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:

- (a) in case of the Security Provider: As detailed in **Sr. No. 3 of the Schedule I**;
- (b) in case of the Bank: As detailed in **Sr. No. 5 of the Schedule I**; or
- (c) any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

### **21.3 Delivery**

- 21.3.1 All such notices and communications made or delivered by the Bank to another Party under or in connection with this Agreement shall be effective (i) if sent by facsimile, when sent (on receipt of a confirmation to the correct facsimile number), (ii) if sent by person, when delivered, (iii) if sent by courier, (a) 1 (one) Business Day after deposit with an overnight courier if for inland delivery and (b) 5 (five) Business Days after deposit with an international courier if for overseas delivery and (iv) if sent by registered letter when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not (v) if sent by email, once it has gone out of the mailbox of the sender.
- 21.3.2 Any communication or document to be made or delivered to the Bank will be effective only when actually received by the Bank and then only if it is expressly marked for the attention of the department or officer details of which have been provided in above.

### **21.4 English language**

- 21.4.1 All other documents provided under or in connection with Facility Agreement must be in English, or if not in English, and if so required by the Bank, accompanied by a certified

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English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

### **21.5 Reliance**

- 21.5.1 Any notice sent under this Clause can be relied on by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).
- 21.5.2 Each Party must take care to ensure that no forged, false or unauthorised notices are sent to another Party.
- 21.5.3 The Bank may rely on the instructions received by way of facsimile or email in accordance with this Clause, provided that it shall not be obliged to, await receipt of the original hardcopy of such instruction (as specified above) prior to taking any action-in connection with such instructions received by way of facsimile or email.

### **21.6 Indemnity for communication through facsimile or email**

- 21.6.1 The Security Provider hereby requests and authorizes the Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Indenture and the Facility Agreement by way of facsimile or email by the Security Provider or any of its authorized officers.
- 21.6.2 The Security Provider acknowledges that:
- (a) sending information by facsimile or email is not a secure means of sending information;
  - (b) it is aware of the risks involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:
    - (i) be fraudulently or mistakenly written, altered or sent; and
    - (ii) not be received in whole or in part by the intended recipient; and
  - (c) the request to the Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Security Provider only.
- 21.6.3 The Security Provider declares and confirms that the Security Provider has for its convenience and after being fully aware of, and having duly considered, the risks involved, (which risks shall be borne fully by the Security Provider) requested and authorised the Bank to rely upon and act on instructions which may from time to time be given by facsimile or email as mentioned above. The Security Provider further declares and confirms that it is aware that the Bank has agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Security Provider providing

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this indemnity and agreeing, confirming, declaring and indemnifying the Bank hereunder and that the Bank would not have done so in the absence of such indemnity. The provisions of this Clause shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Indenture and the Facility Agreement.

- 21.6.4 The Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Bank may from time to time specify and the Security Provider shall be responsible for any improper use of such code or test.
- 21.6.5 Notwithstanding anything contained herein or elsewhere, the Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Security Provider and the Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- 21.6.6 In consideration of the Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Security Provider hereby agrees to indemnify the Bank and keep the Bank at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile.
- 21.6.7 Upon receipt by the Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Security Provider or by any of its authorized officer) shall be deemed (if the Bank chose to act upon the same) to conclusively constitute the mandate of the Security Provider, to the Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Security Provider or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.
- 21.7 The Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology.

## **22. Ranking**

The priority of the Security Interest of the Bank in respect of the Security Interest being created on the Immovable Properties is as specified in **Sr. No. 6 of the Schedule II.**

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The mortgage created on the Mortgaged Properties in favour of and for the benefit of the Bank, shall be perfected and the Form CHG-1 shall be filed with the concerned Registrar of Companies within 10 (ten) days<sup>42</sup> from the date hereof the security being created on the Mortgaged Properties, so that the Bank has the priority of Security Interest, on the Mortgaged Properties.

- 22.1** The Security Provider shall make appropriate filing of charge with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India within 10 (ten) days<sup>43</sup> from the date hereof the security being created on the Mortgaged Properties.

### **23. Cost and expenses**

The Security Provider shall pay or cause to be paid, all present and future imposts, costs, duties, taxes, fees, statutory levies, interest tax, fees, stamp duty, processing fee, login fees, costs, service/prepayment and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Security Interest, the financing documents to which the Security Provider is the party (including payment for the preparation, printing, execution and amendment of such financing documents, due diligence, creation of security, legal opinion, stamp duty, claims and expenses including expenses which may be incurred by the Security Provider in the enforcement or attempted enforcement of security created in favour of the Bank) and the payment of any and all amounts under the financing documents to which the Security Provider is the party. In the event the Security Provider fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Security Provider and the Security Provider shall forthwith reimburse the same together with any interest applicable on such payment under the Facility Agreement.

### **24. Deficiency**

The Security Provider shall remain liable to the Bank for any deficiency occurring, arising or existing under the Facility Agreement to which the Security Provider is a party.

### **25. Discharge and Releases**

Notwithstanding any discharge, release or settlement from time to time between Bank and the Security Provider, if any discharge or payment in respect of the Facility by the Security Provider or any other Person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision of applicable 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 Bank shall be entitled hereafter to enforce this Indenture as if no such discharge, release or settlement had occurred.

### **26. Amendment**

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<sup>42</sup> Note: To confirm

<sup>43</sup> Note: To confirm

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Any amendment to this Indenture shall be in writing and would need the consent of all the Parties. Any waiver of any of the rights of any of the Parties to this Indenture shall be in writing and not operate as a waiver for all subsequent similar events.

### **27. Evidence of Debt**

**27.1** In the event of any dispute between the Security Provider and the Bank, including any legal proceedings, the entries made in the accounts by the Bank shall, save for any manifest error, be conclusive evidence of the existence and amount of obligations of the Security Provider as therein recorded.

**27.2** Any certification or determination by the Bank of a rate or amount under this Indenture shall, save for any manifest error, be conclusive evidence of the matters to which it relates.

### **28. Transfer and assignment**

The Security Provider shall not assign or transfer any of its rights and/ or obligations under this Indenture. The Bank may, at any time, assign and/ or transfer all or any of its rights, benefits and obligations under this Indenture, without furnishing any notice to or obtaining the consent of the Security Provider, to any other Person, in accordance with the Facility Agreement.

### **29. Financing Documents<sup>44</sup>**

The Security Provider acknowledges that it has reviewed, acclimatized to, and understood, the Facility Agreement and this Indenture (as and when executed) and is / shall be fully aware of the implications thereof.

### **30. Severability**

Any provision of this Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that shall not invalidate the remaining provisions of this Indenture or affect such provision in any other jurisdiction.

### **31. Covenants**

The Security Provider covenants with the Bank to ratify and confirm all acts or things made done or executed by any attorney as contemplated by these presents hereinabove.

### **32. Governing Law**

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

### **33. Jurisdiction**

**33.1** The Security Provider agrees that the courts as specified in **Sr. No. 6 of the Schedule I** shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings

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<sup>44</sup> Note: To be deleted in case Borrower is the Security Provider.

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(together referred to as “**Proceedings**”) arising out of or in connection with this Agreement may be brought in such courts or the tribunals.

- 33.2** Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.
- 33.3** The Security Provider irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the courts or tribunals as specified above and irrevocably waives any objection that such proceedings have been brought in an inconvenient forum. The Security Provider hereby consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- 33.4** To the extent that the Security Provider may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Security Provider hereby irrevocably agrees not to claim and hereby irrevocably waive such immunity.

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**SCHEDULE I**

Sr. No.	Title	Details
1.	PLACE OF EXECUTION OF THIS INDENTURE	
2.	DATE OF EXECUTION OF THIS INDENTURE	
3.	Name and Address of the Security Provider <sup>45</sup>	<p>(a) In case the Security Provider is an individual: [●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <p>(b) In case the Security Provider is a company: [●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(c) In case the Security Provider is a partnership firm: M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership Indenture], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p> <p>(d) In case the Security Provider is a limited liability partnership: M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorised partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(e) In case the Security Provider is a sole proprietorship:</p>

<sup>45</sup> Note: To be suitably modified based on the capacity of the Security Provider



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Sr. No.	Title	Details
		<p>M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p> <p>(f) In case the Security Provider is a Hindu Undivided Family: [●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p> <p>(g) In case the Security Provider is a trust: M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorised pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p> <p>(h) In case the Security Provider is a society: M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorised pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p>
4.	Details of the Borrower <sup>46</sup>	If Borrower is the Security Provider, please mark as the following details as same as above, otherwise provide complete detail: Name of the Borrower: Registered office/principal office: Name of the authorized officer/ personnel:
4.	Name and address of the Branch of the Bank/Lending Office	

<sup>46</sup> Note: In case the Borrower is not the Security Provider, please provide details of the Borrower.

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Sr. No.	Title	Details
5.	NAME OF THE AUTHORIZED OFFICIAL OF THE BANK	
6.	JURISDICTION FOR SECURITY PROVIDER **	

\*\* Note : Jurisdiction For Security Provider (i) If under Sr. No 1 above, 'Place of Execution' is within North Zone : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within South Zone : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within East Zone : Courts/Tribunals in Kolkatta; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in Mumbai.

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**SCHEDULE II**

S.No.	Terms	Details			
1.	Details of the Facility				
2.	Description of the Facility Agreement	The Facility Agreement executed on the ____ day of _____, _____ at _____, by and among the Borrower and the Bank.			
3.	Sanction Letter details	The Sanction Letter issued to the Borrower on the ____ day of _____, _____ by the Bank.			
4.	Description of Existing Term Facility Agreements	Limits provided under each of the Existing Term Facility Agreements (Rs. – Lakhs)			
	(A)				
	(B)				
	(C)				
	(D)				
	<b>TOTAL</b>	<b>(AMOUNT IS WORDS _____)</b>			
5.	Description of Existing Working Capital Loan Agreements	Limits provided under each of the Existing Working Capital Loan Agreements (Rs. – Lakhs)			
	(A)				
	(B)				
	(C)				
	(D)				
	<b>TOTAL</b>	<b>(AMOUNT IS WORDS _____)</b>			
6.	Details of the ranking of the Security Interest created on the Immovable Properties	S.No.	DETAILS OF THE IMMOVABLE PROPERTIES		
7.	Description of the Existing Charge holders <sup>47</sup>	S. No.	DETAILS OF THE IMMOVABLE PROPERTIES	DETAILS OF THE EXISTING CHARGE HOLDERS	RANKING OF THE EXISTING CHARGE HOLDERS (PARIPASSU/FIRST/SECOND/SUBSERVIENT)

<sup>47</sup> Note: To be deleted in case there are no Existing Chargeholders.

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S.No.	Terms	Details				

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**SCHEDULE III**

**DETAILS OF THE IMMOVABLE PROPERTIES I**

Property situated at \_\_\_\_\_ (address), of \_\_\_\_\_ sqmtrs, bounded by:

On or towards the East : By \_\_\_\_\_ land of Survey No. \_\_\_\_

On or towards the South: By \_\_\_\_\_ land of Survey No. \_\_\_\_

On or towards the West: By \_\_\_\_\_ land of Survey No. \_\_\_\_

On or towards the North: By \_\_\_\_\_ land of Survey No. \_\_\_\_

With buildings constructed thereon along with other assets such as furniture and fixtures, equipments, machinery – fixed and movable, structures and any other assets situated thereon.

Note - Repeat the above table in case there are more properties.

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**IN WITNESS THEREOF** the Security Provider has/have set his/her/their hand(s) to these presents on this day and year first above written in the witness of each of the attesting witnesses mentioned below and each of attesting witnesses have put their signature in the presence of the Security Provider:<sup>48</sup>

In case the Security Provider is an individual:

\_\_\_\_\_  
**Security Provider's Signature**

\_\_\_\_\_  
**Security Provider's Initial**

[Note: Both the signature and the initials to be obtained on this page from the individual or a power of attorney holder of the individual. Clause to be suitably modified if the document is being executed by the power of attorney holder of the borrower with following statements "In case the Security Provider is an individual executing through the Security Provider's power of attorney holder" and "**Security Provider's Power of Attorney Holder's Signature**" "**Security Provider's Power of Attorney Holder's Initial**"]

In case the Security Provider is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

[Note : To be suitably modified based on the Articles of Association of the company.]

\_\_\_\_\_  
<sup>48</sup> The signing clause to be suitably modified based on the capacity of the Security Provider

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In case the Security Provider is a Partnership Firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the Security Provider by its partners:

(p) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(q) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(r) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Security Provider is a proprietorship concern:

For M/s. [●]

\_\_\_\_\_

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(Proprietor **Signature**)

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**(Proprietor Initial)**

[Note: Both the signature and the initials to be obtained on this page]

In case the Security Provider is a HUF:

For [●], a Hindu Undivided Family

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(Karta **Signature**)

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**(Karta Initial)**

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

In case the Security Provider is a Trust/Society:

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

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[insert designation]

**Signature**

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[insert designation]

**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society.]

**SIGNED AND DELIVERED** by the duly authorised signatory of **AXIS BANK LIMITED**



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- *Stamping to be done as applicable as per the state stamp Act.*
- *Ensure to delete the footnotes, text boxes and instructions on finalization of document.*

### **SUPPLEMENTAL SIMPLE MORTGAGE (WITHOUT POSSESSION)**

1. This **SUPPLEMENTAL INDENTURE OF SIMPLE MORTGAGE (“Supplemental Deed”)** executed at place set out in **Sr. No. 1 of Schedule I** and on the day, month, year set out in **Sr. No. 2 of Schedule I**, by the persons named in **Sr. No. 3 of Schedule I** ( hereinafter referred to as the **“Security Provider”**);

#### **IN FAVOUR OF**

2. **AXIS BANK LIMITED**, a company incorporated under the Companies Act, 1956 and an existing company within the meaning of the Companies Act, 2013, carrying on the banking business under the Banking Regulation Act, 1949 and having its registered office at “Trishul”, Third Floor. Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006 and having one of its branch office at place stated in **Sr. No. 5 of the Schedule I** (hereinafter referred to as the **“Bank”** which expression shall include its successors and assigns);

#### **WHEREAS:**

- (A) The Borrower named in **Sr. No. 4 of the Schedule I** (hereinafter referred to as the **“Borrower”**) was/were sanctioned the Existing Facilities for the purposes as specified in the Existing Facilities Agreement.
- (B) Under a Principal Deed executed by the Security Provider to secure the Existing Facilities in terms of the Existing Facilities Agreement in favour of the Bank and by way of security on all the Immovable Properties for due repayment by the Borrower to the Bank of the outstanding balance under the Existing Facilities together with the Secured Obligation payable by the Security Provider to the Bank.
- (C) At the request of the Borrower, the Bank have agreed to increase/enhance the aggregate credit facilities granted to the Borrower and provide Additional Facility subject to the terms and conditions contained under the Sanction Letter and in accordance with the Additional Facility Agreement , inter alia, upon the Security Provider agreeing to secure the Secured Obligations.
- (D) The Security Provider is the absolute and exclusive owner and is otherwise well and sufficiently entitled jointly, inter alia, to all the rights, title and interests in respect of the Immovable Properties, which is free from all encumbrances, attachments, charges and liens whatsoever.
- (E) One of the condition stipulated by the Bank under the Additional Facility Agreement for the further granting of the Additional Facility to the Borrower is that the said Additional

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Facility shall be secured in terms of the Additional Facility Agreement, inter alia, by extension of mortgage on the Immovable Properties which has already been charged/mortgaged to the Bank, to cover the Existing Facilities and Additional Facility, which the Security Provider has agreed to do under these presents.

### **NOW IN CONSIDERATION OF THE ABOVE THIS SUPPLEMENTAL DEED WITNESSETH AS FOLLOWS:**

#### **1. Definitions**

Save as otherwise specified herein, all capitalized terms used in this Supplemental Deed unless the context otherwise requires, will have the meanings given to such terms in the Principal Deed.

**“Additional Facility”** shall have the meaning as provided under **Sr. No. 1 of Schedule II.**

**“Additional Facility Agreement”** shall have the meaning as provided under **Sr. No. 2 of Schedule II.**

**“Charged Assets”** shall have the meaning as described under **Schedule III.**

**“Existing Facilities”** shall have the meaning as defined as provided under **Sr. No. 4 of Schedule II.**

**“Existing Facilities Agreements”** shall have the meaning as provided under **Sr. No. 4 of Schedule II.**

**“Immovable Properties”** shall have the meaning as described under Schedule III, hereto and includes any other properties that are required to be mortgaged under this Indenture.

**“Principal Deed”** shall mean a simple mortgage deed the details of which are mentioned in **Sr. No. 5 of the Schedule II.**

**“Sanction Letter”** shall have the meaning as provided under **Sr. No. 3 of the Schedule II.**

**“Secured Obligations”** shall mean collectively the ‘Secured Obligations’ as set out in the Principal Deed along with the ‘Loan Obligations’ as specified in the Additional Facility Agreements.

#### **2. Interpretations and construction**

2.1. This Supplemental Deed is and shall be supplemental to the said Principal Deed, and shall always be read in conjunction with the Principal Deed and with all the agreements already executed.

2.2. Further from the date of this Supplemental Deed, a reference to the Facility in the Principal Deed, as amended by this Supplemental Deed, shall mean to include Additional Facility.

3. Save and except as hereby expressly provided, nothing herein contained shall or shall be deemed to limit or prejudicially affect the rights and benefits created in favour of the Bank under the Principal Deed.

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4. This Deed shall be supplemental to the Principal Deed and shall always be read in conjunction with the Principal Deed and sanction letters mentioned in **Sr. No. 5 of the Schedule II**.
5. The Security Provider hereby further declares that save and except the terms and conditions hereinafter specified for the above Additional Facility in this Supplemental Deed, all the other terms and conditions as contained in the Principal Deed shall apply mutatis mutandis to the said extension of mortgage by the Bank and be binding on the Security Provider. In the event of any conflict between this Supplemental Deed and the Principal Deed, the terms of the Principal Deed shall prevail.
6. The Security Provider hereby agrees that the mortgage created on the Immovable Properties (described in detail in **Schedule III** hereunder written), by Principal Deed shall stand further extended and shall also be a continuing security to secure the Additional Facility and the Existing Facilities together with the Secured Obligations payable by the Security Provider to the Bank.
7. The Security Provider hereby further declares that saves and except the above modification, all the other terms and conditions as contained in the Principal Deed shall continue to apply and subsist for the Existing Facilities and the Existing Facilities as being the aggregating limits mentioned in **Sr. No. 4 of the Schedule II**. It is hereby further agreed that the figures of the Existing Facilities as narrated in the Principal Deed and schedules of the Principal Deed shall stand revised as stated above.
8. The Security Provider hereby further declare and confirm the Principal Deed has been properly stamped in accordance with the amount covered under the said Principal Deed and hence this Supplemental Deed requires to be stamped for the amount mentioned in **Sr. No. 5 of the Schedule II** at the applicable rate for the above Additional Facility and the same has been paid on this Supplemental Deed.

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**SCHEDULE I**

Sr. No.	Title	Details
1.	Place of execution of this Indenture	
2.	Date of execution of this Indenture	
3.	Name and Address of the Security Provider <sup>49</sup>	<p>(a) In case the Security Provider is an individual: [●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <p>(b) In case the Security Provider is a company: [●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(c) In case the Security Provider is a partnership firm: M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership Indenture], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p> <p>(d) In case the Security Provider is a limited liability partnership: M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorised partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(e) In case the Security Provider is a sole proprietorship:</p>

<sup>49</sup> Note: To be suitably modified based on the capacity of the Security Provider

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Sr. No.	Title	Details
		<p>M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p> <p>(f) In case the Security Provider is a Hindu Undivided Family: [●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p> <p>(g) In case the Security Provider is a trust: M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorised pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p> <p>(h) In case the Security Provider is a society: M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorised pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p>
4.	Details of the Borrower <sup>50</sup>	If Borrower is the Security Provider, please mark as the following details as same as above, otherwise provide complete detail: Name of the Borrower: Registered office/principal office: Name of the authorized officer/ personnel:
4.	Name and address of the Branch of the Bank/Lending Office	

<sup>50</sup> Note: In case the Borrower is not the Security Provider, please provide details of the Borrower.

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<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
5.	Name of the Authorized Official of the Bank	

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**SCHEDULE II**

<b>S.No.</b>	<b>Terms</b>	<b>Details</b>			
8.	Details of the Additional Facility				
9.	Description of the Additional Facility Agreement	The Facility Agreement executed on the ____ day of _____, _____ at _____, by and among the Borrower and the Bank.			
10.	Sanction Letter details	The Sanction Letter issued to the Borrower on the ____ day of _____, _____ by the Bank.			
11.	Description of Existing Facilities Agreements	Limits provided under each of the Existing Facilities Agreements (Rs. –Lakhs)			
	(A)				
	(B)				
	(C)				
	(D)				
	<b>TOTAL</b>	<b>(AMOUNT IN WORDS )</b>			
12.	Details of the Principal Deed including the stamp duty paid on the Principal Deed				
13.	Details of the ranking of the Security Interest created on the Immovable Properties	S. No.	DETAILS OF THE IMMOVABLE PROPERTIES	RANKING (EXCLUSIVE/ FIRST/ SUBSERVIENT)	
14.	Description of the Existing Charge holders <sup>51</sup>	S. No.	DETAILS OF THE IMMOVABLE PROPERTIES	DETAILS OF THE EXISTING CHARGE HOLDERS	RANKING OF EXISTING CHARGEHOLDERS (PARIPASSU/ FIRST/SECOND/ SUBSERVIENT)

<sup>51</sup> Note: To be deleted in case there are no Existing Chargeholders.

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S.No.	Terms	Details			



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**SCHEDULE III**

**DETAILS OF THE IMMOVABLE PROPERTIES I**

Property situated at \_\_\_\_\_ (address), of \_\_\_\_\_ sqmtrs, bounded by:

On or towards the East : By \_\_\_\_\_ land of Survey No. \_\_\_\_\_

On or towards the South : By \_\_\_\_\_ land of Survey No. \_\_\_\_\_

On or towards the West : By \_\_\_\_\_ land of Survey No. \_\_\_\_\_

On or towards the North : By \_\_\_\_\_ land of Survey No. \_\_\_\_\_

With buildings constructed thereon along with other assets such as furniture and fixtures, equipments, machinery – fixed and movable, structures and any other assets situated thereon.

Note - Repeat the above table in case there are more properties.

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**IN WITNESS THEREOF** the Security Provider has/have set his/her/their hand(s) to these presents on this day and year first above written in the witness of each of the attesting witnesses mentioned below and each of attesting witnesses have put their signature in the presence of the Security Provider:<sup>52</sup>

In case the Security Provider is an individual:

\_\_\_\_\_  
**Security Provider's Signature**

\_\_\_\_\_  
**Security Provider's Initial**

[Note: Both the signature and the initials to be obtained on this page from the individual or a power of attorney holder of the individual. Clause to be suitably modified if the document is being executed by the power of attorney holder of the borrower with following statements "In case the Security Provider is an individual executing through the Security Provider's power of attorney holder" and "**Security Provider's Power of Attorney Holder's Signature**" "**Security Provider's Power of Attorney Holder's Initial**"]

In case the Security Provider is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

<sup>52</sup> The signing clause to be suitably modified based on the capacity of the Security Provider

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[Note : To be suitably modified based on the Articles of Association of the company.]

In case the Security Provider is a partnership firm:

Name : [●]

Place of business : [●]

Signed and delivered on behalf of the Security Provider by its partners:

(s) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(t) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(u) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Security Provider is a proprietorship concern:

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For M/s. [●]

\_\_\_\_\_

(Proprietor **Signature**)

\_\_\_\_\_

(**Proprietor Initial**)

[Note: Both the signature and the initials to be obtained on this page]

**In case the Security Provider is a HUF:**

For [●], a Hindu Undivided Family

\_\_\_\_\_

(Karta **Signature**)

\_\_\_\_\_

(**Karta Initial**)

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

In case the Security Provider is a Trust/Society:

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

\_\_\_\_\_

[insert designation]

**Signature**

\_\_\_\_\_

[insert designation]

**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society.]

**SIGNED AND DELIVERED** by the duly authorized signatory of **AXIS BANK LIMITED**

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**To be stamped as an Agreement for creating hypothecation (in case there is a specific article for hypothecation)/ an Agreement and Indemnity and POA as per the applicable state stamp act**

### **SUPPLEMENTAL DEED OF HYPOTHECATION**

THIS **SUPPLEMENTAL DEED OF HYPOTHECATION** (“**Supplemental Deed**”) executed at the place and date mentioned under Sr. No. 1 and Sr. No. 2 of the Schedule I hereunder written by the security provider and described under Sr. No. 3 of the Schedule I hereunder written (therein and hereinafter referred to as “**the Security Provider**”)

IN FAVOUR OF

**AXIS Bank Ltd.**, a company, constituted under Company’s Act 1956, carrying on the Banking business in terms of the license issued by Reserve Bank of India under the provisions of Banking Regulation Act, 1949 and having its registered office at “Trishul”, Opp Samartheshwar Mahadev Temple, New Law Garden, Ellisbridge, Ahmedabad 380009 and having one of its Branches at \_\_\_\_\_ (hereinafter referred to as the “**Bank**”, which term shall unless it be repugnant to the subject or context thereof include its successors and assign)

#### **WHEREAS:**

1. In consideration of the Borrower having been sanctioned certain Earlier Facilities mentioned under Sr. No. 1 of the Schedule II on the terms and conditions set out in the Earlier Facility Agreements as mentioned in mentioned under Sr. No. 2 of the Schedule II hereunder written and inter alia to secure the Earlier Facilities hereunder written vide a deed of hypothecation, details of which are set out in Sr. No. 5 of the Schedule I (hereinafter referred to as the “**Principal Deed**”) together with all other Secured Obligations payable by the Borrower to the Bank.
2. At the request of the Borrower, the Bank has agreed to provide Additional Facility to the Borrower, as more particularly described in Sr. No. 3 of the Schedule II, in accordance with the Additional Facility Agreement the details of which are set out Sr. No. 4 of the Schedule II.
3. One of the conditions of the Additional Facility Agreement is that the Additional Facility together with all the other Secured Obligations (defined hereafter) payable by the Security Provider to the Bank shall, inter alia, be secured, as a continuing security created in favour the Bank, by a charge by way of hypothecation in favour of Bank on all the assets of the Security Provider as listed under Schedule IV hereunder written with such ranking as mentioned against them under Schedule III.
4. Bank has called upon the Security Provider to execute these presents which the Security Provider has agreed to do in the manner hereinafter expressed.

**NOW IN CONSIDERATION** of the above, the Security Provider hereby agrees, records and confirms with the Bank as follows:

- i) **Definitions**

## **B2B- R & MSME Disbursement Documents/Agreements**

Save as otherwise specified herein, all capitalized terms used in this Supplemental Deed unless the context otherwise requires, will have the meanings given to such terms in the Principal Deed.

“**Additional Facility (ies)**” shall have the meaning as provided under Sr. No. 1 of Schedule II.

“**Additional Facility Agreements**” shall have the meaning as provided under Sr. No. 2 of Schedule II.

“**Charged Assets**” shall have the meaning as described under Schedule IV.

“**Earlier Facilities**” shall have the meaning as defined as provided under Sr. No. 3 of Schedule II.

“**Earlier Facility Agreements**” shall have the meaning as defined under Sr. No. 4 of Schedule II.

“**Secured Obligations**” shall mean collectively the ‘Secured Obligations’ as set out in the Principal Deed along with the ‘Loan Obligations’ as specified in the Additional Facility Agreements.

### **ii) Interpretations and construction**

- (a) This Supplemental Deed is and shall be supplemental to the said Principal Deed, and shall always be read in conjunction with the Principal Deed and with all the agreements already executed.
  - (b) Further from the date of this Supplemental Deed, a reference to the Facility in the Principal Deed, as amended by this Supplemental Deed, shall mean to include Additional Facility.
- iii) Save and except as hereby expressly provided, nothing herein contained shall or shall be deemed to limit or prejudicially affect the rights and benefits created in favour of the Bank under the Principal Deed.
- iv) The Security Provider hereby agrees and acknowledges that the said Charged Assets, both present and future, hypothecated and charged in favour of the Bank by and under the said Principal Deed shall be extended and shall continue to be charged in favour of the Bank as a continuing security for the due repayment of all monies including the Secured Obligations payable by the Security Provider from time to time to the Bank in respect of or in any way concerning the Additional Facilities granted to the Borrower on the terms and conditions contained in the said Principal Deed as modified and enlarged by this Supplemental Deed.
- v) The Security Provider to file with the concerned Registrar of Companies, Form CHG-1 within 10 (ten) days from the date hereof and perfect the security being created on the Charged Assets so that the Bank has the priority of security interest, as specified in Schedule III, in respect of the Charged Assets.
- vi) The Security Provider acknowledges that it has reviewed, acclimatized to, and understood, the Financing Documents, the Principal Deed and this Supplemental Deed (as and when executed) and is / shall be fully aware of the implications thereof.

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- vii) That all the covenants, terms and conditions to be observed and performed by the Security Provider and all the rights and remedies conferred on the Bank by and under the said Principal Deed and shall apply and extend to the Additional Facility as if all the said terms and conditions and covenants and the said rights and remedies were incorporated herein.
  - viii) Save as varied and enlarged vide this Supplemental Deed, the Principal Deed and all its supplements shall remain in full force and effect.
5. All disputes, differences and / or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Lender/Bank, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender/Bank may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held at Mumbai/Delhi/Kolkata/Bangalore/Chennai/Kochi. The arbitral procedure shall be conducted in English.

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### **SCHEDULE I**

[Note: The Schedule to be suitably modified based on the capacity of the Security Provider and the terms of the Sanction Letter. The terms which are not applicable to the Security Provider should be marked as 'Not Applicable'.]

<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
1.	<b>Place of Execution</b>	
2.	<b>Date of the Supplemental Deed</b>	
3.	Name and Address of the Security Provider <sup>53</sup>	<p>(a) In case the Security Provider is an individual:</p> <p>[●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <p>(b) In case the Security Provider is a company:</p> <p>[●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(c) In case the Security Provider is a partnership firm:</p> <p>M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership deed], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p>

<sup>53</sup> To be suitably modified based on the capacity of the Security Provider



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Sr. No.	Title	Details
		<p>(d) In case the Security Provider is a limited liability partnership:</p> <p>M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorised partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p>
		<p>(e) In case the Security Provider is a sole proprietorship:</p> <p>M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p>
		<p>(f) In case the Security Provider is a Hindu Undivided Family:</p> <p>[●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p>
		<p>(g) In case the Security Provider is a trust:</p> <p>M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorised pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p>

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Sr. No.	Title	Details
		<p>(h) In case the Security Provider is a society:</p> <p>M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorised pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p>
4.	Name and address of the Branch of the Bank/Lending Office	
5.	Details of the Principal Deed along with all amendments or modifications, if any.	

**B2B- R & MSME Disbursement Documents/Agreements**

**Schedule II**

**Details of the Facilities and the Facility Agreements**

<b>S.No.</b>	<b>Description</b>	<b>Details</b>
1.	Additional Facility:	
2.	Additional Facility Agreement	
3.	Existing Facilities	
4.	Existing Facilities Agreement	
5.	<b>Total</b>	

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**Schedule III**

**Ranking of the Security Interest**

Assets listed under first column of the below table and described in Schedule –II shall constitute security for the Facilities as per ranking indicated against the said Charged Asset in the Second Column of the below table.

<b>Asset List</b>	<b>Floating/Fixed</b>	<b>Ranking</b>
Current Assets	Floating	Exclusive / First / Second
Moveable Properties	Fixed	Exclusive / First / Second
DPG Machinery	Fixed	Exclusive / First / Second
Specific Equipments	Fixed	Exclusive / First / Second
Account Assets	Fixed	Exclusive / First / Second
Receivables	Fixed	Exclusive / First / Second
Specific Assets	Fixed	Exclusive / First / Second

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### **SCHEDULE – IV**

#### **(Description of Assets listed under Schedule III hereinabove)**

[**Note:** To be appropriately modified based on the security package for the transaction.]

**1. Current Assets :**

The whole of the Security Provider's stocks of raw materials, goods-in-process, semi-finished and finished goods, consumable stores and spares and such other movables, including book debts, bills, whether documentary or clean, both present and future, whether in the possession or under the control of the Security Provider or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Security Provider's factories, premises and godowns situate at <sup>54</sup> \_\_\_\_\_ or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the "**Current Assets**", which expression shall, as the context may permit or require, mean any or each of such Current Assets).

**2. Moveable Properties :**

The whole of the Security Provider's moveable properties (save and except current assets) including its movable plant and machinery, machinery spares, tools and accessories, non – trade receivables and other movables, both present and future, whether in the possession or under the control of the Security Provider or not, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Security Provider's factories, premises and godowns situated at <sup>55</sup> \_\_\_\_\_ or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the "**Moveable Properties**", which expression shall, as the context may permit or require, mean any or each of such Moveable Properties).

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<sup>54</sup> to incorporate the details of the location where such assets are lying

<sup>55</sup> to incorporate the details of the location where such assets are lying

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**3. DPG Machinery :**

The whole of the machinery purchased / to be purchased on deferred payment terms including its spares, tools and accessories, software, both present and future, whether in the possession or under the control of the Security Provider or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be stored or be in or about all the Security Provider's factories, premises and godowns situated at <sup>56</sup> \_\_\_\_\_ or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the “**DPG Machinery**”, which expression shall, as the context may permit or require, mean any or all of such DPG Machinery), short particulars whereof are set out below:

[ GIVE BRIEF DESCRIPTION OF THE DPG MACHINERY ACQUIRED ON DPG TERMS ]

**4. Specific Equipments :**

The whole of :

[ GIVE BRIEF DESCRIPTION OF THE EQUIPMENT ]

of the Security Provider including its spares, tools and accessories, software, whether installed or not and whether in the possession or under the control of the Security Provider or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about the Security Provider's factories, premises and godowns situate at <sup>57</sup> \_\_\_\_\_, or wherever else the same may be or be held by any party to the order or disposition of the Security Provider or in the course of transit or on high seas or on order or delivery (referred to as the “**Specific Equipment**”, which expression shall, as the context may permit or require, mean any or each of such Equipment).

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<sup>56</sup> to incorporate the details of the location where such assets are lying

<sup>57</sup> to incorporate the details of the location where such assets are lying

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**5. Account Assets :**

All the accounts of the Security Provider with all the branches of Bank58 (“Axis Bank Accounts”) and all rights, title, interest, benefits, claims and demands whatsoever of the Security Provider in, to, under and in respect of the Axis Bank Accounts and all monies including all cash flows and receivables and all proceeds arising from / in connection with \_\_\_\_\_ and insurance proceeds payable into the Axis Bank Accounts, which have been deposited / credited / lying in the Axis Bank Accounts, all investments, assets, instruments and securities which represent all amounts in the Axis Bank Accounts, both present and future (referred to as the “Account Assets”, which expression shall, as the context may permit or require, mean any or each of such Account Assets).

**6. Receivables:**

All amounts owing to, and received and/or receivable by, the Security Provider and/or any person on its behalf, all book debts, all cash flows and receivables and proceeds arising from / in connection with \_\_\_\_\_, and all rights, title, interest, benefits, claims and demands whatsoever of the Security Provider in, to or in respect of all the aforesaid assets, including but not limited to the Security Provider’s cash-in-hand, both present and future (referred to as the “Receivables”, which expression shall, as the context may permit or require, mean any or each of such Receivables).

**7. Specific Assets :**

The specific assets of the Security Provider (referred to as the “Specific Assets”) short particulars  
whereof are given below :

[ GIVE SPECIFIC DETAILS OF THE SPECIFIC ASSETS ]

**IN WITNESS WHEREOF** the Security Provider has caused this Deed to be executed on the day, month and year first herein above written, and the Bank has caused this Deed to be executed by the hand of its authorised officer as hereinafter appearing:<sup>59</sup>

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<sup>58</sup> Note: to confirm.

<sup>59</sup> The signing clause to be suitably modified based on the capacity of the Security Provider

**B2B- R & MSME Disbursement Documents/Agreements**

In case the Security Provider is an individual:

\_\_\_\_\_  
**Security Provider Signature**

\_\_\_\_\_  
**Security Provider Initial**

[Note: Both the signature and the initials to be obtained on this page from the individual or a power of attorney holder of the individual. Clause to be suitably modified if the document is being executed by the power of attorney holder of the borrower with following statements “In case the Security Provider is an individual executing through the Security Provider’s power of attorney holder” and “**Security Provider’s Power of Attorney Holder’s Signature**” “**Security Provider’s Power of Attorney Holder’s Initial**”]

In case the Security Provider is a company:

\_\_\_\_\_  
**Authorised Signatory Signature**

\_\_\_\_\_  
**Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

**THE COMMON SEAL OF [●]** having its registered office at [●] has been hereunto affixed pursuant to the resolution of its board of directors passed at the meeting held on [●] day of [●], [●] in the presence of [●], its [●].

[Note : To be suitably modified based on the Articles of Association of the company.]

In case the Security Provider is a partnership firm:

Name : [●]

Place of business : [●]



**B2B- R & MSME Disbursement Documents/Agreements**

Signed and delivered on behalf of the Security Provider by its partners:

(a) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(b) Mr./Ms. [●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

(c) Mr./Ms.[●]

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. It is advisable that all partners of the partnership firm execute this Agreement, however all the parties may authorize the designated partner to sign this Agreement in accordance with the partnership deed.]

In case the Security Provider is a proprietorship concern:

For M/s. [●]

\_\_\_\_\_

**(Proprietor Signature)**

\_\_\_\_\_

**(Proprietor Initial)**

[Note: Both the signature and the initials to be obtained on this page]

**B2B- R & MSME Disbursement Documents/Agreements**

In case the Security Provider is a HUF:

For [●], a Hindu Undivided Family

\_\_\_\_\_  
(Karta **Signature**)

\_\_\_\_\_  
**(Karta Initial)**

[Note: Both the signature and the initials to be obtained on this page. To be executed by the Karta of the HUF.]

In case the Security Provider is a Trust/Society:

For [●], acting as the [●] of the Borrower, authorized under resolution dated [●] passed by [●] of the Borrower.

\_\_\_\_\_  
[insert designation]  
**Signature**

\_\_\_\_\_  
[insert designation]  
**Initial**

[Note: Both the signature and the initials to be obtained on this page. Clause to be suitably modified based on the bye laws of the trust/ society.]

**SIGNED AND DELIVERED** by the duly authorised signatory of **AXIS BANK LIMITED**

## **B2B- R & MSME Disbursement Documents/Agreements**

- *Stamping to be done if applicable as per the State Stamp Act.*
- *To be registered with the concerned Sub Registrar of Assurance in certain jurisdiction in accordance with applicable law. In such cases, the Mortgagor may also have to execute the MOE.*
- *In States where the EM Registration is mandatory and the SROs/Registration Department has specified the format of MOE/MOA, then the same shall be used for creation of EM.*
- *Please also note that for certain jurisdiction filing of notice of intimation is also required.*
- *Ensure to delete the footnotes, text boxes and instructions on finalization of document.*

### **MEMORANDUM OF ENTRY** **(First Time Deposit)**

1. On the day, month and year set out in **Sr. No. 1 and Sr. No. 2 of the Schedule I**, the person(s) more particularly described in **Sr. No. 1 of the Schedule II** hereunder written (hereinafter referred to as the “**Security Provider(s)**”)<sup>60</sup>, attended the office of Axis Bank Limited, a company incorporated under the Companies Act, 1956, an existing company within the meaning of Companies Act, 2013 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ‘Trishul’, 3<sup>rd</sup> Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad – 380 006, as specified in **Sr. No. 3 of the Schedule I** hereunder written (“**Bank**”) and delivered to and deposited with the authorized personnel of the Bank, whose name is mentioned in **Sr. No. 4 of the Schedule I** hereunder written (“**Authorized Personnel**”), acting for and on behalf of the Bank, the documents of title, evidences, deeds and writings more particularly described in the **Schedule IV** hereunder written (hereinafter collectively referred to as “**the said Title Deeds**”) in respect of the immoveable properties located at and more particularly described in the **Schedule V** hereunder written (“**the said Immoveable Properties**”).
2. Whilst making the deposit, the person(s) named in **Sr. No. 1/2**<sup>61</sup> of the **Schedule II** stated that the delivery and deposit of the said Title Deeds was done on behalf of the Security Provider(s), with intent to create security, by way of a mortgage by deposit of title deeds in favour of the Bank on the said Immoveable Properties to secure the due repayment, discharge and redemption of all monies owed to the Bank under the financial assistance as more particularly described in **Sr. No. 5 of the Schedule III** hereunder written (“**Facility**”) availed by the person(s) more particularly specified in **Sr. No. 1 of Schedule III** hereunder written (“**Borrower**”) in terms of the Facility Agreement(s) as more particularly described in **Sr. No. 3 of the Schedule III** hereunder written (“**Facility Agreement(s)**”) including but not limited to the interest, commission, liquidated damages, fees,

<sup>60</sup> Note: This document shall cover all the immoveable properties which are held by the Security Provider.(s) In case there are more than one Security Providers providing security for the Facility, then the Memorandum of Entry shall be accordingly modified. Further the details of Security Provider(s) in Sr. Nos.1 & 2 of Schedule II also to be customized accordingly and separate Declaration is to be executed by each Security Provider(s). .

<sup>61</sup> Retain “1” in case of individual and”2” in case of non-individual.

## **B2B- R & MSME Disbursement Documents/Agreements**

commitment charge, premia on prepayment, costs, charges, expenses, monies payable as a result of devaluation/revaluation/fluctuation in the rates of exchange of foreign currencies involved.

3. The said person(s) named in **Sr. No.1/ 2 of the Schedule II** stated to the Authorized Personnel, that the Security Provider(s) have clear and marketable title to the said Immoveable Property and accordingly have the capacity and authority to create the mortgage by way of deposit of title deeds.<sup>62</sup>

### **OR**

3. The said person(s) named in **Sr. No. 2 of the Schedule II** handed over to the Authorized Personnel, the necessary authorization of the Security Provider(s) allowing the said person to create the mortgage by way of deposit of title deeds on behalf of the Security Provider(s) in favour of the Bank (the details of such authorization(s) is more particularly described in **Sr. No. 3 of the Schedule II** hereunder written) and further stated that the said authorization(s) is/are in full force and effect.<sup>63</sup>
4. The said person(s) named in **Sr. No. 2 of the Schedule II** further stated that the said Title Deeds so deposited were the only documents of title relating to the said Immoveable Properties in the possession, power and control of the Security Provider(s) and that the Security Provider(s) has/have clear and marketable title to the said Immoveable Properties and further stated that save as provided in **the Schedule VI** hereunder written, there is no mortgage, charge, lien or other encumbrance or attachment on the Immoveable Properties or any part or parts thereof in favour of any government or the income-tax department or any other governmental authority, or any person, firm or company, body corporate or society or entity whatsoever and that save as permitted under the Facility Agreement(s) and the other financing documents executed in connection with the Facility, the Security Provider(s) has not entered into any agreement for sale, transfer, lease or alienation thereof or any part or parts thereof and that no such mortgage, charge or lien or other encumbrance whatsoever will be created or attachment allowed to be levied on the Immoveable Properties or any part or parts thereof in favour of or on behalf of any Government or governmental authority or any person, firm, company, body corporate or society or entity so long as the Borrower continues to be indebted to or liable to the Bank on any account in any manner whatsoever and that no proceedings for recovery of taxes are pending against the Security Provider(s) under the Income Tax Act, 1961 or any other law in force for the time being and that no notice has

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<sup>62</sup> Note: To be retained in case mortgage is being created by individuals who are owners of the immoveable property.

<sup>63</sup> Note: To be retained in case mortgage is being created by authorised officers of the owners of the immoveable property.

## **B2B- R & MSME Disbursement Documents/Agreements**

been issued and/or served on the Security Provider(s) under the Income Tax Act, 1961, or under any other law, relating to recovery of tax.<sup>64</sup>

5. The said person(s) named in **Sr. No. 2 of the Schedule II** further stated that the Security Provider(s) has obtained all requisite consents, governmental approvals, authorizations and clearances [including a no objection certificate (particulars of which are provided in **Sr. No. 6 of the Schedule III** hereunder written) from the income tax authorities pursuant to Section 281 of the Income Tax Act, 1961]<sup>65</sup> for the creation of the security in respect of the Immovable Properties in favour of the Bank.
6. The aforesaid deposit of the Title Deeds was made by the said person(s) named in **Sr. No. 2 of the Schedule II** on behalf of the Security Provider(s) in the presence of the Authorized Personnel of the Bank. The priority of the security interest of the Bank in respect of the security being created on the Immovable Properties is as specified in **Sr. No. 7 of Schedule III**.

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<sup>64</sup> Note: To be modified based on the transaction.

<sup>65</sup> Note: To be modified in the event the Section 281 permission has not been obtained.

**B2B- R & MSME Disbursement Documents/Agreements**

**SCHEDULE I**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Place where the title deeds have been deposited	
2	Date on which the title deeds have been deposited	
3	Address of the branch of the Bank where the title deeds have been deposited	
4	Name and designation of the authorized personnel of the Bank to whom the title deeds have been deposited	

## **B2B- R & MSME Disbursement Documents/Agreements**

### **SCHEDULE II**

Sr. No.	Title	Details
1.	Description of Security Provider(s)	<p>(a) In case the Security Provider(s) is an individual:</p> <p>[●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <p>(b) In case the Security Provider(s) is a company:</p> <p>[●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <p>(c) In case the Security Provider(s) is a partnership firm:</p> <p>M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership deed], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p>

**B2B- R & MSME Disbursement Documents/Agreements**

		<p>(d) In case the Security Provider(s) is a limited liability partnership:</p> <p>M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorised partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p>
		<p>(e) In case the Security Provider(s) is a sole proprietorship:</p> <p>M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p>
		<p>(f) In case the Security Provider(s) is a Hindu Undivided Family:</p> <p>[●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p>
		<p>(g) In case the Security Provider(s) is a trust:</p>



**B2B- R & MSME Disbursement Documents/Agreements**

		<p>M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorised pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p>
		<p>(h) In case the Security Provider(s) is a society:</p> <p>M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorised pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p>
2.	Details of the person authorized on behalf of the Security Provider(s) to deposit the title deed under this memorandum of entry	
3.	Details of the authorization in favour of the person providing the declaration.  (Note: The name, details of POA/Resolution is required to be mentioned).	

**B2B- R & MSME Disbursement Documents/Agreements**

**SCHEDULE III**

**Details of the Borrower(s), the Facility and the Facility Agreement(s)**

**BORROWER 1:**

S.No.	Terms	Details
15.	The term Borrower shall have the meaning ascribed to the said term in the respective Facility Agreements specified below:	[Provide the details of the borrower as provided in each of the facility agreement(s)]
16.	Name of the borrower:  (a) Name of the Borrower  (b) Registered Office/ principal place of business of the Borrower	
17.	Description of the Facility Agreement(s)	The _____ Facility Agreement made on the _____ day of _____, at _____, by and among the Borrower and the Bank.
18.	Sanction Letter details	The Sanction Letter issued to the Borrower on the _____ day of _____, _____ by the Bank.
19.	Description of Facilities	Amount (Rs. – Lakhs)

**B2B- R & MSME Disbursement Documents/Agreements**

	<u>TOTAL</u>	<u>(AMOUNT IN WORDS)</u>
20.	Description of authorizations and clearances	
21.	Details of the ranking of the Security interest created on the Immovable Properties	

**B2B- R & MSME Disbursement Documents/Agreements**

**SCHEDULE IV**

**List of the Title Documents<sup>66</sup>**

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<sup>66</sup> Note: Details of the title documents to be inserted as per the title search report.

## **B2B- R & MSME Disbursement Documents/Agreements**

### **SCHEDULE V**

#### **Description of the Immoveable Properties**

All that piece and parcel of land [●]<sup>67</sup> together with all the buildings and structures thereon, fixtures, fittings and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.<sup>68</sup>

#### **OR**

All that [●]<sup>69</sup> together with the right to use common areas of the building, the right to use water closet, drainage, lavatories and other conveniences and facilities, amenities in or upon or pertaining to or connected to the flat / unit / office premises, both present and future and easementary rights and together with all fixtures and fittings, both present and future.<sup>70</sup>

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<sup>67</sup> Note: Description to be as per the title search report

<sup>68</sup> Note: To be retained for Immoveable Properties involving land and building. To be suitably modified in the event the immovable properties also include any leasehold rights.

<sup>69</sup> Note: Description to be as per the title search report

<sup>70</sup> Note: To be retained for Immoveable Properties involving flat/unit/office premises located in a building. To be suitably modified in the event the immovable properties also include any leasehold rights.

**B2B- R & MSME Disbursement Documents/Agreements**

**SCHEDULE VI**

**DETAILS OF THE EXISTING CHARGES/ SECURITY INTEREST ON THE IMMOVABLE PROPERTIES<sup>71</sup>**

\_\_\_\_\_  
( \_\_\_\_\_ )

Signature and name of the  
Authorized Personnel  
accepting the deposit of  
title deeds

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_<sup>72</sup>

\_\_\_\_\_  
<sup>12</sup> Note: In case there are no existing charges/ security interest created on the Immovable Properties, please mark it as NIL.

<sup>13</sup> Note: To be dated one day after the date on which the title deeds have been deposited

## **B2B- R & MSME Disbursement Documents/Agreements**

- *To be stamped as an Affidavit as per the state stamp Act and to be notarized.*
- *Ensure to delete the footnotes, text boxes and instructions on finalization of document.*

### **DECLARATION CUM CONFIRMATION DEED**

The person(s) more particularly described in **Sr. No. 2 of Schedule II** hereunder written do hereby solemnly declare and confirm, as under -

1. I/We, state that I have clear and marketable title to the said Immoveable Property and accordingly have the capacity and authority to create the mortgage by way of deposit of title deeds<sup>73</sup>.

**OR**

2. I/We am/are duly authorized as per the necessary authorization of the Security Provider(s) to create the mortgage by way of deposit of title deeds on behalf of the Security Provider(s) in favour of the Bank (the details of such authorization(s) is more particularly described in **Sr. No. 3 of Schedule II** hereunder written) and further stat that the said authorization(s) is/are in full force and effect<sup>74</sup>.
3. I/We say that the Security Provider(s) is seized and possessed of or otherwise well and sufficiently entitled to the said mortgaged property more particularly described in **Schedule V** written ("**the said Immoveable Properties**").
4. I/We further say that the Immoveable Properties are proposed to be mortgaged and charged to Bank for the facilities as mentioned in **Sr. No. 5 of Schedule III** (hereinafter referred to as the "**Facility**") sanctioned to Borrower(s) named in **Sr. No. 1 of Schedule III** (hereinafter referred as "**Borrower**"), in terms of the facility agreement(s) as more particularly described in **Sr. No. 3 of the Schedule III** hereunder written ("**Facility Agreement**") to secure principal amount of the Facility together with all interest therein, additional interest, default interest, compound interest, liquidated damages, remuneration payable to the Bank, premia on prepayment, costs, charges, expenses and other monies whatsoever, stipulated in or payable together with other debts and liabilities of the Security Provider(s) to Bank under the Facility Agreement (the "**Secured Obligations**").
5. I/We confirm that, the title deeds specified in the **Schedule IV** (hereinafter collectively referred to as "**the said Title Deeds**") are being deposited and delivered on behalf of the Security Provider to the authorized personnel of Axis Bank Limited, a company incorporated under the Companies Act, 1956, an existing company within the meaning of Companies Act, 2013 and a banking company within the meaning of the Banking Regulation Act, 1949 and

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<sup>73</sup> Note to Axis Bank: To be retained in case mortgage is being created by individuals who are owners of the immoveable property.

<sup>74</sup> Note to Axis Bank: To be retained in case mortgage is being created by authorised officers of the owners of the immoveable property

## **B2B- R & MSME Disbursement Documents/Agreements**

having its registered office at 'Trishul', 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad –380 006 and one of its branches at the place as specified in **Sr. No. 3 of the Schedule I** hereunder written ("**Bank**"), at the place and on the day, month and year set out in **Sr. No. 1 and Sr. No. 2 of the Schedule I**, hereunder with an intention to create equitable mortgage upon all Security Providers' rights, title and interest in the said Immovable Properties in favour of the Bank as the security for repayment of the Secured Obligation.

6. I/We say that the said Immovable Properties is outside the purview of the Urban Land (Ceiling and Regulation) Act, 1976.
7. I/We say that the said Immovable Properties of the Security Provider(s) is free from all encumbrances or charges (statutory or otherwise) claims and demands, save as provided in **Schedule VI** hereunder written and that the same or any of them or any part thereof are/is not subject to any lien/lis pendens, attachment or any other process issued by any court or Authority and that the Security Provider(s) has not created any trust in respect thereon and that the said Immovable Properties is in the exclusive uninterrupted and undisputed possession and enjoyment of the Security Provider(s) since the date of purchase/acquisition thereon and no adverse claim has been made against the Security Provider(s) in respect of the said Immovable Properties and that no such mortgage, charge or lien or other encumbrance whatsoever will be created or attachment allowed to be levied on the Immovable Properties or any part or parts thereof in favour of or on behalf of any Government or governmental authority or any person, firm, company, body corporate or society or entity so long as the Borrower continues to be indebted to or liable to the Bank on any account in any manner whatsoever and that no proceedings for recovery of taxes are pending against the Security Provider(s) under the Income Tax Act, 1961 or any other law in force for the time being and that no notice has been issued and/or served on the Security Provider(s) under the Income Tax Act, 1961, or under any other law, relating to recovery of tax.<sup>75</sup>
8. I/We also state that the Security Provider(s) has duly paid all rents, Provident Fund dues, Gratuity dues, Employees State Insurance dues, Income Tax, Sales Tax, Corporation Tax and all other taxes and revenues payable to the Government of India, Government of any State or to any local authority and that at present there are no arrears of such dues, rents, taxes and revenue due and outstanding and that no attachments or warrants have been served on the company in respect of sales tax, Income-tax, government revenue and other taxes.
9. I/We also state that the Security Provider(s) has obtained all requisite consents, governmental approvals, authorizations and clearances [including a no objection certificate (particulars of which are provided in **Sr. No. 6 of Schedule III** hereunder written) from the income tax authorities pursuant to Section 281 of the Income Tax Act, 1961]<sup>76</sup> for the creation of the security in respect of the Immovable Properties in favour of the Bank.

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<sup>75</sup> Note to Axis Bank: To be modified based on the transaction.

<sup>76</sup> Note to Axis Bank: To be modified in the event the Section 281 permission has not been obtained.



## **B2B- R & MSME Disbursement Documents/Agreements**

10. I/We also agree and undertake (on behalf of the Security Provider(s)) to give such confirmations, declarations, undertaking and other writings as may be required by Bank and satisfactorily comply with all other requirements and requisitions submitted by or on behalf of Bank.
11. That the Security Provider(s) has/have duly observed, performed and complied with and shall at all times during the subsistence of the aforesaid mortgage / until the Secured Obligations have been repaid to the satisfaction of the Bank in full, continue to duly observe, perform and comply with all the rules, regulations, laws, bye-laws, covenants, terms and conditions in connection with the Immovable Properties.
12. That the Security Provider(s) has/have not done and shall not at any time do any act, deed, matter or thing and/or is/are not aware of any document/ judgment/ order or legal process or latent/patent defect in the title to the Immovable Properties which may adversely affect or prejudice in any manner the Bank's security and/ or interests.
13. That the Security Provider (s) has / have the necessary power and is are free to secure the Borrower's Dues in the manner done by him/her/it/them and the Security Provider (s) is/are not under any statutory, contractual or other restriction or disability to do so.
14. The shareholders have at its general meeting/ extra ordinary general meeting duly passed a resolution under Section 180(1) (a) of the Companies Act, 2013 authorising creation of the mortgage over the Immovable Properties in favour of the Bank (a certified true copy of which resolution has been handed over to the Bank) and the said resolution is in full force and effect and has not been varied or rescinded<sup>77</sup>.
15. I/We assure, agree and declare that the documents evidencing title of the Security Provider(s), evidences, deeds and writings in relation to the said Immovable Properties of the Security Provider(s) which are to be deposited with the Bank are the only title deeds relating to the Immovable Properties and the Security Provider(s) shall not retain the originals of any such document of title to the Immovable Properties. I/We further undertake that any additional documents, evidences, and writings relating to the Immovable Properties which may, from time to time, be received by or be in the control, power or possession of the Security Provider(s) or any agent or nominee of the Security Provider(s) will be delivered to, and deposited with, the Bank to secure the Secured Obligations.
16. I/We am/are not aware of any act, deed, matter or things or circumstances which prevent the Security Provider(s) from charging in favour of Bank the said Immovable Properties.
17. I/We state that the Security Provider(s) has/have disclosed all facts relating to the Immovable Properties to the Bank in writing and confirms the accuracy of all information given by him/ her/it/them in this regard and also confirm that all prior or subsequent information furnished by him/her/it/them in this behalf is/will be true, complete and accurate in every way and the Bank may act on the basis of the said information, particulars and documents.

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<sup>77</sup> Note to Axis Bank: To be included if the Security Provider is a public limited company.

## **B2B- R & MSME Disbursement Documents/Agreements**

18. I/We on behalf of the Security Provider(s) shall ensure that, if during the tenure of the Facility, the Bank is desirous of exercising its right to enforce the mortgage or whenever so required by the Bank, the Borrower and the Security Provider(s) shall without any demur cause any person in occupation or possession of the Immovable Properties to immediately handover the vacant and peaceful possession thereof to the Bank. The Borrower and the Security Provider(s) shall ensure that an appropriate condition is inserted in any contract of the Borrower and Security Provider(s) with such person, if executed.
19. I/We on behalf of the Security Provider(s) agree and undertake to indemnify and keep the Bank fully indemnified, saved and harmless of, from and against any loss, damage, expense, risk and all consequences that might arise to the Bank on account of any defect in title to the Immovable Properties and/or any declaration, statement or assurance being incorrect and/or any breach by the Security Provider(s) of any declaration, statement, assurance or covenant herein and/or on account of any nonperformance or non-observance or breach by the Security Provider(s) of any terms, clause, conditions or covenants of any document governing the Facility or any other document or any claim, demand or risk however arising to the Bank with reference to the Immovable Properties.
20. I/ We on behalf of the Security Provider(s) hereby agree and undertake that as and when required by the Bank, the Security Provider(s) shall assure the Bank of its valid and subsisting title to the properties comprised in the Immovable Properties and comply with all requisitions that may be made from time to time by the Bank in that behalf.
21. I/We declare that the Security Provider(s) has undertaken and covenanted to bear and discharge all stamp duty, registration fees and any other fees whatsoever, payable at any time in connection with the creation of the mortgage on the Immovable Properties.
22. And I/We make the aforesaid Declaration solemnly and sincerely believing the same to be true and knowing fully well that on the faith of my/our agreeing to give the above Declaration, the Bank has agreed to accept the mortgage by deposit of the said Title Deeds in respect of the said Immovable Properties as aforesaid.

**B2B- R & MSME Disbursement Documents/Agreements**

**SCHEDULE I**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>1</b>	Place where the title deeds are being deposited.	
<b>2</b>	Date on which the title deeds are being deposited	
<b>3</b>	Address of the branch of Axis Bank where the title deeds are being deposited	
<b>4.</b>	Name and Designation of the Authorized Personnel of the Bank	

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**SCHEDULE II**

**Details of the Security Provider**

<b>Sr. No.</b>	<b>Title</b>	<b>Details</b>
4.	Description of Security Providers	<p>(a) In case the Security Provider is an individual:</p> <p>[●], son/daughter/wife of [●], aged [●] years, residing at [●] having passport no. [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, administrators and executors.</p> <ul style="list-style-type: none"><li>• Email :</li><li>• Fax :</li></ul> <p>(b) In case the Security Provider is a company:</p> <p>[●], a company incorporated in India under the [Companies Act, 1956/ Companies Act, 2013], with corporate identification number [●] and having its registered office at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul> <p>(c) In case the Security Provider is a partnership firm:</p> <p>M/s [●], a partnership firm, [registered under the Partnership Act, 1932], having its principal place of business at [●], duly represented by [insert the details of all the partners], its partners, constituted in accordance with [insert details of the partnership deed], which expression shall unless repugnant to the context or meaning thereof be deemed to include its partners for the</p>

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		<p>time being and from time to time and the legal heirs, executors and administrators of the last such surviving partner.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul> <p>(d) In case the Security Provider is a limited liability partnership:</p> <p>M/s [●], a partnership firm formed under the Limited Liability Partnership Act, 2008 and having its principal place of business at [●], represented by its authorized partner [●], in accordance with the resolution passed by its partners dated [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul> <p>(e) In case the Security Provider is a sole proprietorship:</p> <p>M/s [●] a proprietorship concern, represented by [●], its sole proprietor having its principal place of business at [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the heirs, administrators and executors of the sole proprietor.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul> <p>(f) In case the Security Provider is a Hindu Undivided Family:</p>
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		<p>[●], Hindu Undivided Family, represented by [●], the Karta, acting on behalf of all the coparceners and all members of the Hindu Undivided Family, having its principal place of business [●], which expression shall unless repugnant to the context or meaning thereof be deemed to include the Karta and the members for the time being and from time to time of the Hindu Undivided Family and their respective heirs, executors, administrators and assigns.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul> <p>(g) In case the Security Provider is a trust:</p> <p>M/s [●], a trust constituted under [●], having its principal place of business at [●], represented by [●], being the trustee authorized pursuant to the resolution dated [●] passed by the trustees in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the trustee or trustees for the time being of the trust.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul> <p>(h) In case the Security Provider is a society:</p> <p>M/s [●], a society registered under [●], having its principal place of business at [●], represented by [●], being the member authorized pursuant to the resolution dated [●] passed by the members in this behalf, which expression shall unless repugnant to the context or meaning thereof be deemed to include the member or members for the time being of the society.</p> <ul style="list-style-type: none"><li>• Designation :</li><li>• Email :</li><li>• Fax :</li></ul>
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5.	Details of the authorized representative of the Security Provider providing this declaration on behalf of the Security Provider	
6.	Details of the authorization in favour of the person providing the declaration.  (Note: The name, details of POA/Resolution is required to be mentioned).	

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**SCHEDULE III**

**Details of the Borrower(s), the Facility and the Facility Agreement(s)**

**BORROWER 1:**

S. No.	Terms	Details
22.	The term Borrower shall have the meaning ascribed to the said term in the respective Facility Agreements specified below:	[Provide the details of the borrower as provided in each of the facility agreement(s)]
23.	Name of the Borrower:  (c) Name of the Borrower  (d) Registered Office/ principal place of business of the Borrower	
24.	Description of the Facility Agreement	The _____ Facility Agreement made on the ____ day of _____, _____ at _____, by and among the Borrower and the Bank.
25.	Sanction Letter details	The Sanction Letter issued to the Borrower on the ____ day of _____, _____ by the Bank.
26.	Description of Facilities	Amount (Rs. – Lakhs)



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	<u>TOTAL</u>	<u>(AMOUNT IS</u> <u>WORDS _____)</u>
27.	Description of clearances and authorizations	
28.	Details of the ranking of the security interest being created on Immovable Properties	

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**SCHEDULE IV**

**List of the said Title Documents<sup>78</sup>**

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<sup>78</sup> Note to Axis Bank: Details of the title documents to be inserted as per the title search report.

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### **SCHEDULE V**

#### **Description of the Immoveable Properties**

All that piece and parcel of land [●]<sup>79</sup> together with all the buildings and structures thereon, fixtures, fittings and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.<sup>80</sup>

#### **OR**

All that [●]<sup>81</sup> together with the right to use common areas of the building, the right to use water closet, drainage, lavatories and other conveniences and facilities, amenities in or upon or pertaining to or connected to the flat / unit / office premises, both present and future and easementary rights and together with all fixtures and fittings, both present and future.<sup>82</sup>

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79 Note to Axis Bank: Description to be as per the title search report

80 Note to Axis Bank: To be retained for Immoveable Properties involving land and building. To be suitably modified in the event the immovable properties also include any leasehold right.

81 Note to Axis Bank: Description to be as per the title search report

82 Note to Axis Bank: To be retained for Immoveable Properties involving flat/unit/office premises located in a building. To be suitably modified in the event the immovable properties also include any leasehold right.

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**SCHEDULE VI**

**DETAILS OF THE EXISTING CHARGES/ SECURITY INTEREST ON THE IMMOVABLE PROPERTIES<sup>83</sup>**

Solemnly declared at \_\_\_\_\_ by  
\_\_\_\_\_, on this \_\_\_\_\_  
day of \_\_\_\_\_, 200\_\_\_\_<sup>84</sup>

Before me  
[To be notarized]

83 Note to Axis Bank: In case there are no existing charges/ security interest created on the Immovable Properties, please mark it as NIL.

84 Note to Axis Bank: To be dated one day after the date on which the title deeds have been deposited