

FACILITY AGREEMENT

This FACILITY AGREEMENT (hereinafter referred to as the “**Agreement**”) is made at on.
 by Mr./Miss./Mrs.
 .aged _____ years, son of / wife of/ daughter of residing at

¹ (x)

OR

Mr./Miss./Mrs. aged _____ years, son of/ wife of/
 daughter of at present carrying on the business of
 as sole proprietor under the name and style of
 at
² (x)

OR

<i>Name of Partners</i>	<i>son/daughter/wife of</i>	<i>Aged</i>	
1.....	years.
2.....	years.
3.....	years.
4.....	years. (x)

at present carrying on the business of in partnership
 under the name and style of

 at³ (x)

OR

Shri, aged _____ years, son of

 as the Karta of his joint family carrying on the Hindu Undivided Family business of..... as
 joint family business under the style of..... (x)
 at.....⁴

¹ To be used in case of individuals
² To be used in case of sole proprietors availing the Facility.
³To be used in case of a partnership availing the Facility through an authorized partner.
⁴ To be used in case of a HUF availing the Facility through a Karta.

OR

..... an association/ society/ trust registered under the prevalent Societies Registration Act/ prevalent Co-operative Societies Act / Indian Trust Act, 1882 and having the registered office

at.....

.....and at present carrying on the business of

.....

at.....⁵ (x)

OR

.....

a Company incorporated under the Companies Act 1956 and having its Registered Office

at.....

hereinafter referred to as “**the Borrower**” (which expression shall, unless repugnant to the context hereof, include, wherever applicable, the partners of the said firm, his/her/their respective heirs, executors, administrators’ representatives, successors and permitted assigns/its successors and permitted assigns respectively)

IN FAVOUR OF

DHANLAXMI BANK LTD a company incorporated under the Companies Act, 1956 and having its registered office at Dhanalakshmi Buildings, Naickanal, Thrissur, Kerala - 680001 and acting through one of its branches / offices at _____ (hereinafter referred to as the “**Bank**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors, and permitted assigns). (x)

W H E R E A S:

1. The Borrower has requested the Bank for grant of Facility (as described below) to the Borrower on the terms and conditions mentioned in this Agreement and other Transaction Documents.
2. The Bank has at such request of the Borrower agreed to grant all or some or any of the aforesaid Facilities subject inter alia to the terms and conditions contained in this Agreement and also in the other Transaction Documents (as defined below) including Security Documents (as defined below) or any of them and on such other terms and conditions as may be deemed necessary and notified from time to time by the Bank to the Borrower.

IN CONSIDERATION of the Bank providing the Facility to the Borrower, the Borrower hereby agrees, records and confirms the terms and conditions upon which the Facility is granted as under:

1. DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS

⁵ To be used in case of a Society/Trust/Association through an authorized representative.

Borrower (x)

Co-Borrower (x) 2

“Agreement” means this facility agreement and any amendment / modifications made thereto from time to time by the Parties hereto and shall include the Schedule hereto.

“Account” means the account established by the Borrower with the Bank approved by the Bank for setting up of the Facility limit.

“Additional Interest” means interest levied by the Bank on delay in payment of the EMI or PEMII or any other amounts due and payable by the Borrower to the Bank at the rate mentioned in the Schedule.

“Additional Security” means such additional security as may be provided by the Security Provider in pursuant to Clause 4.2 of this Agreement in addition to the Security;

“Base Rate” means such rate as may be announced by the Bank in accordance with the RBI guidelines from time to time.

“Borrower” means the Personas defined above and includes any Co-Borrower / joint borrower.

“Borrower's Dues” means and includes the outstanding principal amount of the Facility, interest on the Facility, all other interest, all fees, costs, charges, expenses, stamp duty (including registration and filing charges and taxes of any description whatsoever as may be levied from time to time by the Government or other authority) and all other sums whatsoever payable by the Borrower to the Bank in accordance with the terms and conditions of the Facility and Transaction Documents, as well as all other monies whatsoever stipulated in or payable by the Borrower under the Facility.

“Business Day” shall mean a day (other than a Saturday or Sunday or any day declared as “Public Holiday” in accordance with Section 25 of the Negotiable Instruments Act, 1881) on which banks are open for general business as well as for the purposes of payment, settlement and clearing in a State of India where the branch of the Bank who is extending the Facility is situated;

“Co-Borrower” means the Person/entity named as such in the Schedule attached hereto.

“Default Interest” means rate of interest mentioned in the Schedule of this Agreement, levied by the Bank from the due date till payment, on happening of any Event of Default as set out in Clause 9 of this Agreement.

“Due Date” means the date(s) on which any amounts in respect of the Borrower's Dues including the principal amounts of the Facility , Interest and / or any other monies, falls due as specified in the Facility Application and / or the Sanction Letter and the other Transaction Documents.

“ECS”, (Electronic Clearing System) shall be deemed to include transfer of funds electronically, either through a message for transfer of funds sent electronically or through image of instrument of transfer of funds sent electronically or through an electronic file containing the details of the funds transfer sent by electronic media or payment through an electronic cheque or where funds are transferred through various types of plastic cards or such other debit clearing service notified by RBI, participation in which has been consented to in writing by the Borrower for facilitating payment of EMI and / or PEMII.

“Effective Date” means the date on which the first disbursement is availed by the Borrower out of the Facility.

“EMI” (equated monthly instalments) means the amount of monthly payments required to be paid to the Bank to amortise the Facility with interest over the tenure of the Facility.

“Event of Default” shall mean any of the events enumerated in Clause 9 of this Agreement or any other events of default mentioned in other Transaction Documents.

“Facility” means a facility and/or the loan, the details of which are provided in the Schedule under which certain amounts are disbursed / to be disbursed by the Bank to the Borrower for the Purpose as per the terms and conditions of the Transaction Documents.

“Facility Application” means as the context may permit or require, the credit facility application form the details of which are provided in the Schedule, submitted by the Borrower to the Bank for applying for and availing of the Facility, together with the preliminary credit facility application form and all other information, particulars, clarifications, documents and declarations, if any, furnished by the Borrower or any other person from time to time in connection with the Facility.

“Guarantor” means the person providing the guarantee to secure the obligations under this Agreement.

“Interest” shall mean the rate of interest chargeable on the Facility at the rate and calculated in a manner specifically mentioned in the Sanction Letter and the Schedule attached hereto and shall include any change of interest on account of change in the Bank’s internal policy or any directives/guidelines by the RBI or change in the Base rate or due to any other reasons.

“Parties” means the Bank and the Borrower who are party to this Agreement.

“PEMII” (Pre Equated Monthly Instalment Interest) means interest at the rate indicated in the Schedule attached hereto on the disbursed Facility amount from the date / respective dates of disbursement to the date of commencement of EMI.

“Person” shall include individual, partnership firm, company, association of persons, proprietary concern and co-operative society as mentioned & stipulated as per the relevant provisions of the Income Tax Act, 1961.

“PDC” (post dated cheques) means the cheques drawn by the Borrower in favour of the Bank for repayment of the Facility along with accrued interest.

“Purpose” means the purpose for which the Facility is availed by the Borrower more specifically mentioned in the Sanction Letter and the Schedule attached hereto.

“Prepayment” means premature repayment of the Facility as per the terms and conditions laid down by the Bank in that behalf and as in force at the time of prepayment.

“RBI” means Reserve Bank of India.

“Sanction Letter” means the letter dated _____ issued by the Bank sanctioning the Facility with the relevant particulars which is an integral part of this Agreement and annexed as Schedule II of this Agreement.
(x)

“Schedule” means and includes the Schedule attached hereto and forming an integral part of the Agreement.

“Secured Property” means property as described in the Schedule, on which the Security has been created by the Security Provider in favour of the Bank for securing the Facility with accrued Interest and any other dues under this Agreement.

“Security” means the security interest created by the Security Provider in favour of the Bank as desired by the Bank on the Secured Property under each of the Security Documents in accordance with this Agreement;

“Security Documents” mean any documents, deeds, agreement in relation to the creation of Security or the Additional Security in favour of the Bank, the details of which are provided in the Schedule.

“Security Provider” means the Borrower or any third party who on the request of the Borrower has agreed to provide Security in favour of the Bank and shall include any guarantor providing the guarantee to secure the obligations under this Agreement.

“SI” (standing Instructions) means written instructions given by the Borrower to the Bank to debit the account of the Borrower maintained in a Bank acceptable / approved by the Bank for the amount of the Instalment / Interest, more particularly set out in Schedule attached hereto.

“Transaction Documents” means this Agreement, any Security Documents, Facility Application, Sanction Letter and include all writings and other documents executed or entered into or to be executed or entered into, by the Borrower or, the Security Provider, as the case may be, any other person, in relation to, or pertaining to the Facility and each such transaction document as amended from time to time.

1.2 INTERPRETATIONS

- (a) Any expression not defined in this Agreement but defined in the General Clauses Act, 1897 shall have the meaning thereof;
- (b) Reference to the masculine gender includes feminine gender and reference to singular includes plural and vice versa;
- (c) Any assets, include present and future properties, revenues and rights of every description;
- (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 provision of law is a reference to that provision as amended or re-enacted;
- (f) Unless a contrary indication appears, a term used in any other Transaction Documents or in any notice given under or in connection with any Transaction Documents has the same meaning in that Transaction Documents or notice as in this Agreement;
- (g) Headings are for convenience only and do not affect the construction or interpretation of this Agreement;
- (h) References to Clauses, Annexures and Schedules are to Clauses of and Annexures and Schedules to this Agreement;
- (i) Reference to any agreement or document includes amendments and replacements of and supplements to such agreement or document;
- (j) Reference to any government shall include the Central Government of India, the State Government, and the relevant regulatory and administrative bodies of India; and
- (k) The Sanction Letter and / or any addendum or amendment to the Sanction Letter and / or this Agreement shall be an integral part of this Agreement.

2. FACILITY AMOUNT, DISBURSEMENT, INTEREST, TAXES AND AMORTIZATION

Borrower (x)

Co-Borrower (x) 5

2.1 FACILITY

- a) The Facility Application shall constitute the basis of this Agreement to sanction the Facility or the Facilities by the Bank. The Borrower hereby confirms the correctness of each and every statement and particulars therein set forth.
- b) At the request of the Borrower, the Bank hereby agrees to provide to the Borrower, and the Borrower hereby agrees to avail from the Bank, the Facility more particularly specified in the Schedule of this Agreement, in the manner and on the terms and conditions mentioned in this Agreement, Sanction Letter and other Transaction Documents and for the Purpose, where under the Bank may from time to time grant Facility of the said amount either in lump sum or in such manner as has been / may be mutually agreed upon by the Parties on the terms and conditions contained in this Agreement and other Transaction Documents.
- c) Once the Facility is sanctioned to the Borrower by the Bank, and the Borrower has requested for disbursement of any amount from the Facility, the Borrower shall not be entitled to cancel the Facility or to refuse to accept disbursement of the Facility, except with the approval of the Bank and payment to the Bank of such cancellation or foreclosure charges or processing fee as may be stipulated by the Bank.
- d) The Bank, however, at its sole discretion, may vary or interchange the terms of Facility granted or that may be granted from time to time.
- e) The Bank is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

2.2 INTEREST

- a) The Borrower agrees to pay Interest on the Facility at the rate mentioned in the Sanction Letter and the Schedule hereunder.
- b) The Borrower agrees that the Interest shall be calculated on the daily balance of the amount due compounded therewith and the Bank may at any time or from time to time be entitled to change / reset or vary the Interest in respect of the credit facility depending on the changes in the Base Rate of the Bank or any directives or guidelines of the RBI from time to time or on the policy of the Bank on advances or on the Borrower's credit rating with the Bank from time to time and the Borrower hereby waives the requirement of notice such change / revision of Interest and a notice in the Bank's notice board or on the website of the Bank or a report in the news paper on change / revision of the Interest shall be deemed to be sufficient notice to the Borrower and such Interest shall be payable whether debited to the credit facility account or not, and until so paid shall form part of the Borrower's Dues covered by these presents.

PROVIDED THAT the Borrower shall reimburse or pay to the Bank such amount as may have been paid or payable by the Bank to the Central or State Government on account of any tax levied on Interest (and / or other charges) on the Facility by the Central or State Government. The Borrower shall make the reimbursement or payment as and when called upon to do so by the Bank.

- c) Without prejudice to the Bank's rights, Interest, Default Interest as aforesaid and the other amounts payable by the Borrower shall be charged / debited to the loan account of the Borrower on the respective Due Date thereof and shall be deemed to form part of the outstanding Facility. Such Interest and other amounts excluding Default Interest shall, attract Interest at the same rate as applicable to the Facility in terms of this Agreement until payment

thereof.

- d) Where the Interest is charged by the Bank at a concessionary rate owing to the same being granted under any interest subsidy scheme or any other scheme formulated by the Government or RBI or any other authority from time to time, the Borrower agrees that in the event of withdrawal, modification or variation of such scheme the concessionary rates of interest would be withdrawn and the usual rates applicable at the material time shall become effective and be applicable and the Borrower shall also pay the difference between such concessionary rate and the usual rate of interest from the date the withdrawal or modification or variation becomes effective.

2.3 COMPUTATION OF INTEREST

- a) The EMI comprises of principal and Interest and is rounded off to the next rupee calculated on monthly rests and any other charges shall be computed on the basis of a year of three hundred and sixty (360) days. However, in the event of the Borrower intends to foreclose the Facility the interest would be calculated upto the date of actual foreclosure.
- b) The method of computation and calculation of the Interest, EMI or PEMII may be varied or altered by the Bank in its sole discretion.
- c) The Bank may in its sole discretion alter or reschedule the instalment and if deemed fit, stipulate a new re payment schedule, loading within the instalment the Interest during the defaulted period and/or overdue instalments at any stage of the Facility.

2.4 PAYMENTS ON NON-BUSINESS DAYS

Any amount due for payment under this Agreement shall be payable only on a Business Day. If such payment is due on a day which is not a Business Day, then such payment will be deemed to be payable:

- a) on the next Business Day in that calendar month (if there is one); or
- b) the preceding Business Day (if there is not).

2.5 PAYMENT OF OTHER EXPENSES / CHARGES

The Borrower undertakes to pay forthwith on demand to the Bank all costs and expenses such as inspection charges, valuation charges, upfront fee and other expenses (including legal costs between legal counsel and clients) on a full indemnity basis incurred and or to be incurred by the Bank for investigation of title to any Secured Property (if any) offered as Security and for the preparation, execution, preservation, performance, enforcement and realization of the outstanding Facility amount, Security Documents and other instruments creating and / or evidencing the creation of any Security for the Facility as also any other instruments required in connection with the Facility.

2.6 DISBURSEMENT

- a) The Bank shall disburse the Facility in one lump sum or in suitable instalments having regard to the needs and request of the Borrower to the Borrower or to any other Person as stipulated under the Sanction Letter. The decision of the Bank in this regard shall be final, conclusive and binding on the Borrower. The Borrower shall acknowledge the receipt, in the form required by the Bank, of each amount so disbursed. The Borrower further agrees that any payment made to any other Person directly shall be deemed to be payment made to the Borrower.

- b) The Bank shall have the right to adjust PEMII or any other dues against undisbursed amount of the Facility.
- c) Disbursement shall be deemed to have been made to the Borrower on the date of the first disbursement by way of account credit, cheque or pay order as the case may be.
- d) Interest on the Facility will begin to accrue as and from the date of disbursement of the Facility.
- e) The disbursal of the Facility will be made after the Borrower's own contribution (if required) has been made for the same to the concerned party, and such proof is furnished to the Bank by the Borrower, as may be necessary or desired by the Bank. It is also agreed that in case of a cost or price run over or escalation of cost / price in relation to the Purpose at any time, the Borrower shall arrange the same from out of his own funds.
- f) In case the Facility is sanctioned on a condition that the disbursal towards such Facility shall be made only after the Borrower fulfils or do certain functions as desired by the Bank, the Borrower shall provide such proof to the Bank. The disbursal shall be in stages as per the progress of the functions performed by the Borrower as prescribed in terms of the internal guidelines / policy of the Bank, as applicable from time to time. The decision of the Bank in this regard shall be final, conclusive and binding on the Borrower. The Borrower shall acknowledge the receipt, in the form required by the Bank, of each amount so disbursed.

2.7 AMORTIZATION

- a) The Borrower will amortize the Facility as stipulated in the Schedule attached hereto, subject to any other changes in such amortization as communicated later in writing by the Bank to the Borrower. However, in the event of delay or advancement, for any reason whatsoever, in the disbursement of the Facility, the Due Date of payment of first EMI shall in such case be the corresponding day of the following months to the day currently stated in the Schedule attached hereto.
- b) If the terms and conditions of the Facility stipulate the payment of PEMII, the Borrower shall pay to the Bank such PEMII every month, until commencement of EMI.
- c) The Borrower agrees that the repayment of the amount of the Facility together with Interest, Additional Interest and all such other sums due and payable by the Borrower to the Bank shall be payable at the place where the branch of the Bank is situated or such other place notified by the Bank to the Borrower by way of PDC an / or SI and / or ECS, details whereof are mentioned in the Schedule attached hereto. The Borrower agrees that the amount shall be remitted to the Bank on the Due Date of EMI. In the event of any dishonour of PDC / SI / ECS instruction the Borrower agrees to pay a dishonour charge as mentioned in the Schedule attached hereto, in addition to any Additional Interest that may be levied by the Bank.

In the event of any variation in:

- i) the date of payment of EMIs, or
- ii) the amount of Interest, principal or EMIs or the numbers thereof,
the Borrower agrees and undertakes to forthwith issue fresh PDCs / ECS / SI instructions to the Bank as may be required by the Bank.
- d) Notwithstanding what is stated in this Agreement above and in the Schedule attached

hereto, the Bank shall have the right at any time or from time to time to review and reschedule the repayment terms of the Facility or of the outstanding amount thereof in such manner and to such extent as the Bank may in its sole discretion decide. In such event the Borrower shall repay the Facility or the outstanding amount thereof as per the revised schedule of repayment as may be determined by the Bank in its sole discretion and communicated to the Borrower by the Bank in writing.

- e) In case if there is any Prepayment by the Borrower, the same shall be appropriated in the manner stipulated under Clause 2.9 of this Agreement.
- f) The Borrower shall furnish information / documents concerning his employment, trade, business or profession immediately on demand by the Bank.

2.8 DELAY / DEFAULT IN PAYMENT

- a) The Borrower shall pay in full the PEMII, EMI and all other amounts without any demur, protest or default and without claiming any set-off or counter claim on the respective Due Dates. No notice, reminder or intimation shall be given to the Borrower regarding his obligation and responsibility to ensure prompt and regular payment of PEMII, EMI and all other amounts payable by the Borrower to the Bank on the respective Due Dates.
- b) On the happening of any Events of Default as set out in Clause 9 of this Agreement such defaulted amount shall carry Default Interest.
- c) Without prejudice to the Bank's other rights, the delay in payment of EMI or PEMII by the Borrower, shall render the Borrower liable to pay Additional Interest or at such higher rate as per the rules of the Bank in that behalf as in force from time to time and communicated to the Borrower by the Bank in writing. Such Additional Interest shall be charged / debited to the Account on the respective Due Dates and shall be deemed to form part of the Borrower's Dues. Such interest and other amounts shall accordingly attract Interest at the same rate as applicable to the Facility and as stated in Schedule attached hereto. In such event, the Borrower shall also be liable to pay incidental charges and costs to the Bank.
- d) Borrower agrees to pay Default Interest for delay or non submission of prescribed returns/ financials as stipulated in the Sanction Letter.

2.9 PRE-PAYMENT

- a) The Bank may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit pre-payment / acceleration of EMIs or pre-payment at the request of the Borrower subject that the Bank may specify, from time to time, the minimum amount of prepayment / amounts payable on account of acceleration of EMIs. If permitted by the Bank, the Borrower shall give prior written notice of not less than _____ Business (x) Days of his intention to pre-pay the full amount of Facility and pay to the Bank such pre-payment charges, as may be fixed by the Bank from time to time. The Bank may also prescribe a pre-payment penalty if there is a take over of the Facility by any other institution / bank during the currency of the Facility.
- b) The Borrower agrees that no Prepayment shall be made during the first 6 (six) months from the Effective Date or till the Facility is fully disbursed, whichever is later. If the Borrower pre-pays only a part of the amount payable by the Borrower to the Bank, the Bank shall be entitled to adjust the amount pre-paid against the amount payable by the Borrower in such manner as the Bank thinks fit. Save and except as mentioned above, the Borrower shall not be entitled to make any Prepayment. Notwithstanding the above, if the Borrower pays any amount to the Bank before the Due Date the Bank shall be entitled to appropriate the same in such manner as it deems fit, and the Bank will give the Borrower credit for the same only on Due Date and not before.

- c) In the event the Bank permits any pre-payment, the repayment schedule shall be altered by the Bank at the request of the Borrower.
- d) Prepayment initiated by the Bank:

If, at any time, it is or will become illegal for the Bank to perform any of its obligations as contemplated by this Agreement or to fund any Facility:

- (A) the Bank shall promptly notify the Borrower upon becoming aware of such illegality;
- (B) upon the Bank notifying the Borrower, the relevant Facility will be immediately cancelled; and
- (C) the Borrower shall repay the monies already borrowed under such Facility alongwith any accrued interest thereof, on the date specified by the Bank in the notice delivered to the Borrower.

2.10 PROCESSING FEES

The Borrower hereby agrees to pay a non refundable fee for processing the Facility Application as stipulated by the Bank in the Sanction Letter and also agrees to pay the processing fee even if the Borrower has not availed the Facility after submitting the Facility Application.

The Borrower further agrees to pay other charges and costs payable from time to time to the Bank, some of which are mentioned in the Schedule of this Agreement (not exhaustive and may be amended by the Bank).

2.11 TERMINAL DATE FOR DISBURSEMENT

The Bank may by notice to the Borrower suspend or cancel further disbursements of the Facility, if the Facility shall not have been fully drawn within the duration mentioned in the Schedule hereto from first date of disbursement of the Facility or such other period as may be decided by the Bank.

2.12 ALTERATION AND RE-SCHEDULING OF EMI

If the entire amount of the Facility is not fully drawn by the Borrower within a period of 24 months from the Effective Date, EMIs shall be altered and re-scheduled in such manner and to such extent as the Bank may, in its sole discretion, decide and the repayment shall thereupon be made as per the said alteration and re-scheduling notwithstanding anything stated in this Agreement.

2.13 LIABILITY OF THE BORROWER TO BE JOINT AND SEVERAL

Where the Facility is provided to more than one Borrower or where the payment obligations are secured by any guarantee, notwithstanding anything herein stated, the liability of the Borrower to repay the Facility together with interest, and all other amounts and to observe these terms and conditions and terms and conditions of any other agreement, document that may be executed by the Borrower with the Bank in respect of the Facility or any other loan, is joint and several.

2.14 CROSS DEFAULT

The Borrower agrees and acknowledges that any default by the Borrower under any credit facility agreement or arrangement entered into by the Borrower with the Bank, any bank and / or

financial institution / non banking financial company and / or other creditors, the same, shall constitute an event of default under this Agreement and vice-versa.

3. CONDITIONS PRECEDENT

3.1 The following shall be conditions precedent for disbursal of the Facility or any tranche thereof

- a) The Borrower meets the Bank's requirement of creditworthiness. The Bank shall be entitled to make or cause to be made inquiries of such nature as the Bank may deem fit of the creditworthiness of the Borrower. The Bank shall be further entitled to call for such credentials from the Borrower as may be required to prove the creditworthiness of the Borrower.
- b) The Borrower shall, prior to receiving the disbursal of the Facility, have utilised his own contribution, if such condition is stipulated by the Bank.
- c) The Security Provider shall, prior to disbursal of the Facility, have provided the Security in the form and manner acceptable to the Bank.
- d) If the Facility is granted by the Bank for acquiring or further improvement of a property then the title of such property should be absolute, clear and marketable and that the property is absolutely unencumbered and free from any liability and prior charges whatsoever.
- e) No Event of Default (as mentioned in Clause 9) / cross-default (as mentioned in Clause 2.14) shall have occurred.
- f) Any disbursement of the Facility and / or tranche thereof shall, at the time of request therefore, be required immediately by the Borrower for the sole and exclusive Purpose of the Borrower as stated in the Facility Application, and the Borrower shall produce such evidence of the proposed utilization of the proceeds of the disbursement of the Facility or any tranche thereof as is satisfactory to the Bank as and when required by the Bank.
- g) No extraordinary or other circumstances shall have occurred which shall make it improbable for the Borrower to fulfil his / its obligations under this Agreement.
- h) The Borrower shall have executed and delivered a money bond or a demand promissory note in favour of the Bank for the amount of the Facility, if required by the Bank.
- i) The Borrower shall provide evidence or satisfy the Bank to the effect that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower, or is threatened by or against the Borrower, before any Court of Law or Government authority or any other competent authority which might have a material effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of any of the Transaction Documents executed by the Borrower or the Security Provider in favour of the Bank.
- j) The Borrower shall provide evidence or satisfy the Bank about the utilization by the Borrower of the proceeds of any prior disbursements.
- k) Notwithstanding the nature of the Facility, the delivery of the documents and /or evidence of fulfilment of other requirements as required by the Bank and which is satisfactory to the Bank or to the legal advisors of the Bank shall be condition precedent to the Bank disbursing the Facility in favour of the Borrower.

4. SECURITY

4.1 SECURITY: The Security Provider agrees to create Security in such form and manner as may be required by the Bank to secure the principal amount of the Facility together with Interest, Additional Interest, costs, charges, expenses etc. due and payable by the Borrower to the Bank.

- 4.2 **ADDITIONAL SECURITY:** In the event of the Security furnished by the Security Provider is found to be insufficient / incorrect in value to the Indebtness, the Borrower shall be directed to furnish Additional Security as may be required by the Bank. Notwithstanding the above, in the event the Additional Security furnished by the Security Provider is subsequently found to be of inferior value to that as declared by the Borrower in the Facility Application, the Facility may be recalled / repayment of the Facility may be accelerated by the Bank with immediate effect.
- 4.3 The Bank shall have the absolute right to decide whether or not it will accept as security for the purpose of the Facility any goods, book-debts, movables and other assets offered from time to time to the Bank by Borrower. The Bank shall be at liberty at its sole discretion at any time without previous notice and without assigning any reason whatsoever to cease to accept the Security from the Security Provider and / or to cease making, advance there against.
- 4.4 The Borrower declares and assures that all properties on which Security is created in favour of the Bank are the absolute properties of the Security Provider and free from any prior charge lien or encumbrance except such charge lien or encumbrance as have been notified to the Bank and accepted by it as having priority over its charge and the Security Provider shall not without the Bank's prior written permission, lease or sell or exchange or create any mortgage, charge, lien or encumbrance of any kind upon or over the same or on its undertaking and assets except to the Bank nor suffer any such mortgage, charge lien or encumbrance to affect the same or any part thereof nor do or allow anything that may prejudice the Security while the Borrower remains indebted or liable to the Bank in any manner.
- 4.5 The Borrower shall display the Bank's name on the Security on which a security interest is created in favour of the Bank, if so required by the Bank.
- 4.6 The Borrower and/or the Security Provider shall also bear all the tax, toll, duties levies, cess or any other tax as may be imposed by the Central Government, State Government, judicial, quasi judicial or any municipal authorities, which may be chargeable on the Secured Property and if such tax, toll, duties levies, cess is paid by the Bank, the Borrower shall also be liable to reimburse all such taxes, tolls, duties, levies, cess, etc. to the Bank.

5. CONTINUING SECURITY:

- a) The Security and the Additional Security furnished by the Security Provider to the Bank in connection with the Facility shall remain a continuing security to the Bank and the same shall be binding upon the Security Provider.
- b) The Borrower agrees that the Security and the Additional Security shall not be discharged / released by intermediate payment by the Borrower or any settlement of accounts by the Borrower till such time all the dues in respect of the Facility are fully paid to the satisfaction of the Bank and the Bank consents to give a discharge / release in respect of the Security and the Additional Security in writing to the Borrower.
- c) The Security and the Additional Security shall be in addition to and not in derogation of any other security, which the Bank may at any time hold in respect of the Borrower's dues and shall be available to the Bank until all accounts between the Bank and the Borrower in respect of the Facility are ultimately settled and a no dues certificate is issued by the Bank.

6. CROSS LIABILITY:

- a) The Borrower further agrees that the Security and/or the Additional Security created shall also be Security for (a) all other monies that may be due and payable by the Borrower to the Bank, on any account whatsoever, whether present or future, including any liability of the Borrower as a surety or co-obligator either singly or alongwith any other person (b) Facility granted / continued to the group companies / associate of the Borrower as declared from time to time.
- b) If the Borrower is providing the Security, the Borrower shall not create any other encumbrance, charge or security interest in the Security in favour of any other person or body, except with the prior written consent of the Bank. The charge / security created by the Borrower under this Agreement shall continue and remain in force till such time all other dues under this Agreement and in respect of all other loan / facility obtained / to be obtained by the Borrower from the Bank, and the Bank issue a certificate of discharge. The Security created under the Transaction Documents and the liability of the Borrower shall not be affected, impaired or discharged by winding up (voluntary or otherwise) or by any merger or amalgamation, reconstruction, takeover of the management, dissolution or nationalization (as the case may be) of the Borrower. The Borrower covenants that the security provided by the Borrower shall remain valid for the balance due to the Bank, or any other financial benefits obtained by the Borrower from the Bank.

7. COVENANTS

7.1 PARTICULAR COVENENATS

The Borrower covenants with the Bank that during the tenor of the Facility:

- a) The Borrower shall ensure that the entire Facility will be utilized for the Purpose as stated by the Borrower in the Facility Application / end use letter and for no other purpose whatsoever. The Borrower shall produce evidence and / or certificate and / or invoices from the relevant person or authority or entity for the utilisation of the Facility as and when required by the Bank. If the Bank requires the entire description of the end use will be furnished to the Bank later by way of an addendum, which may be treated as part and parcel of this Agreement.
- b) The Borrower agrees that he shall be exclusively responsible for getting the delivery / completion of the Purpose and the Bank shall not be liable for any delay in disbursement of the Facility or delivery / completion of the Purpose or any dispute or claim whatsoever regarding the Purpose.
- c) The Bank shall promptly be notified of any event or circumstances which might cause a delay in the commencement or completion of the said Purpose.
- d) The Borrower shall ensure that the Secured Property are maintained in good order and condition and all necessary repairs, additions and improvements thereto will be made during the currency of the Facility and that the Borrower will ensure that the value of the Secured Property does not diminish.
- e) The Borrower shall notify the Bank of any change in the Borrower's employment, business or profession. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Bank informed about the financials of his business on a regular basis as may be notified to him by the Bank. In the event the Borrower is a company, partnership or sole proprietary, the Borrower shall provide the Bank such information and / or documents as

may be required by the Bank.

- f) The Borrower shall notify the Bank of any change in its residential status within 15 (fifteen) days of such change.
- g) The Borrower shall ensure that all the terms and conditions in relation to the Secured Property and all the rules, regulations, bye-laws, etc., of any association or the concerned authority that may be applicable to such Secured Property are complied by the Security Provider, and pay such maintenance and other charges for the upkeep of the Secured Property as also any other dues, etc., as may be payable in respect of the Secured Property and / or of the use thereof.
- h) The Borrower shall ensure that the Secured Property is insured against fire, riot, strike, malicious damage and such other risks as may be required by the Bank, with an insurance company approved by the Bank, wherein the Bank is the sole beneficiary under the policy, for a value as required by the Bank and produce evidence thereof to the Bank from time to time and wherever called upon to do so. If required by the Bank, the Borrower shall hand over the policy and / or the copy to the Bank. If the Borrower makes default in effecting such insurance as aforesaid or renewing any policy or in payment of such premia or in keeping the assets so insured or in delivering to the Bank receipts for the premia it shall be lawful (but not obligatory) for the Bank to effect such insurance or to renew or to pay such premia and to keep the assets insured and to debit the expenses incurred by the Bank for the said purposes to the account of the Borrower and the same shall be treated as loan secured by this agreement. The Borrower agrees to pay the same with Interest as mentioned in the Schedule hereof. All sums received under any such insurance as aforesaid shall after deduction of all expenses be applied in or towards the liquidation of all balance due to the Bank for the time being and in the event of there being a surplus the same shall be applied towards any other dues owed to the Bank by the Borrower. The Borrower agrees that if any moneys under any such insurance are received by the Borrower the same shall be forthwith paid to the Bank. The Borrower further agrees that the Bank shall be entitled to adjust, settle, compromise or refer to arbitration any dispute with the insurance company and the insured arising under or in connection with such policy and the certificate or any claim made hereunder and to give a valid receipt thereof and the Borrower shall not raise any question that a larger sum might or ought to have been received.
- i) The Borrower shall promptly inform the Bank of any loss or damage to the Secured Property due to any act of God or damage or other risks against which the Secured Property may not have been insured.
- j) The Borrower shall pay all applicable taxes, rent and such other charges in accordance with the prevalent laws and regulations in relation to the Facility and/or the Secured Property.
- k) The Borrower shall allow any person authorized by the Bank to have free access to the Secured Property for the purpose of inspection.
- l) The Borrower shall promptly give written notice to the Bank of:
 - (i) any dispute which might arise between the Borrower and any person or any governmental body or authority relating to or concerning the Secured Property, or
 - (ii) any distress or execution being levied against the Secured Property, or
 - (iii) any material circumstances affecting the ability of the Borrower to repay the Facility in the manner stipulated hereunder.
- m) The Borrower shall inform the Bank at regular intervals of the progress of improvement / construction of property, if the Facility is granted for development of any property.

- n) The Borrower shall on the Bank's request do, perform and execute such acts, deeds, matters and things as the Bank may consider necessary either to perfect the Secured Property provided for or to carry out the intent of this Agreement.
- o) The Borrower shall confirm that the true copies of the document submitted for the purpose of the Facility are genuine. The Bank may at any time, call for or require verification of originals of any / all such copies to test their veracity. Any such copy in possession of the Bank shall be deemed to have been given only by the Borrower.
- p) The Borrower shall register the charge created in favour of the Bank in proper form with the Registrar of Companies within a period of 30 days from the date of creation of charge (in case the Borrower is a company under Indian Companies Act). The Borrower shall also register or file the Security with an entity or regulators as required under any relevant law.
- q) If the Borrower is a Person other than an individual, promptly inform the Bank of change in location of its office / registered office, name, main business activity of the Borrower. If the Borrower is an individual it shall promptly inform the Bank of change of its any of the address that has been provided to the Bank for the Facility.
- r) The Borrower shall bear all costs of making good any deficit in stamp duty on the Transaction Documents.
- s) The Borrower agrees that any Security provided by the Borrower to the Bank under any other credit facility shall be available to the Bank under this Facility Agreement upon the occurrence of an Event of Default under this Facility Agreement and vice versa.
- t) The Borrower agrees to furnish such other instrument(s) as may be required by the Bank for the due repayment of the Facility.
- u) Borrower shall submit the prescribed return/financial statements within the time period stipulated in the Sanction Letter.

7.2 **NEGATIVE COVENANTS:**

The Borrower further covenants with the Bank that unless, the Bank otherwise previously approves in writing, the Borrower shall:

- a) Not use the Facility for any speculative purpose or a purpose other than that stated with Facility Application.
- b) Ensure that the Secured Property are not let out or given on leave or licence or otherwise howsoever alter with the possession of the Secured Property or any part thereof.
- c) Ensure that the Secured Property or any part thereof are not sold, mortgaged, leased, surrendered or otherwise howsoever alienated, encumbered or any third party interest has been created in favour of any other party.
- d) The Facility is utilised for the Purpose stated in the Facility Application therein.
- e) Not stand surety for anybody or guarantee the repayment of any loan or the purchase price of any asset.
- f) Not execute any document, such as power of attorney, or any other similar or other deed, in favour of any person to deal with the Secured Property in any manner.
- g) Promptly pay such amounts / monies as and when due or demanded by the Bank under this Agreement or any documents in relation thereto.
- h) Not effect any oral or other partition of the Secured Property or enter into any family arrangement or use it for the purpose of business.

- i) If the Borrower is a Company, it shall not:
 - make any change in the constitution, management or existing ownership or control or share capital,
 - enter into a reconstruction or arrangement or merge or amalgamate with any other Company or body corporate or enter into any partnership or joint venture.
- j) If the Borrower is a partnership firm, it shall not:
 - dissolve or admit new partners in the partnership,
 - enter into any new partnership or joint venture.
- k) If the Borrower is an individual, he/she shall not:
 - leave India for employment or business or for long term stay abroad without fully repaying the Facility amount together with interest and other dues and charges including prepayment charges as contained in the Schedule herein,
 - In the event the Borrower becomes a Non Resident Indian, he/she agrees to repay the Facility in accordance with the rules, regulations, guidelines and norms of the RBI so stipulated.
- l) If the Borrower is a HUF or a Society, it shall not make any change in the constitution, management or existing ownership or control of the Borrower.
- m) Not transact the banking transactions with any entity, other than the Bank and shall not open any current account with other banks or have any banking transaction with them.

7.3 The Borrower further covenants with the Bank that the Borrower shall not use the Facility for any anti-social purpose.

8. REPRESENTATION AND WARRANTIES

The Borrower represents, warrants and undertakes to the Bank as under:

- a) The Borrower assures the Bank that the Security Provider has absolute clear and marketable title to the Secured Property and that the Secured Property is absolutely unencumbered and free from any liability whatsoever.
- b) The Borrower shall continue to remain in possession of the property against which the Security has been created and shall not part with the possession thereof either partly or wholly until the entire Facility with interest has been repaid to the Bank.
- c) The purpose for which the Facility is taken is not illegal, speculative or nefarious.
- d) The Borrower assures that subsequent to the application, there has been no material change, which would affect the Secured Property or the grant / provision of the Facility provided by the Bank to the Borrower.
- e) The Borrower assures that there is no document, judgment or legal process or other charges or of any latent or patent defect affecting the title of the Secured Property or of any material defect in the Secured Property which has remained undisclosed and / or which may affect the Bank prejudicially.
- f) The Borrower confirms that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower, threatened, by or against the Borrower before any Court of Law or Government authority or any other competent authority which might have a material

adverse effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement or any of its terms and conditions.

- g) The Secured Property is not included in or affected by any of the schemes of Central / State Government or of the improvement trust or any other public body or local authority.
- h) The Borrower has paid and will pay when due, all public demands such as income tax, property taxes and all the other taxes and revenues payable to the Government of India or to the Government of any State or to any local authority and that at present there are no arrears of such taxes and revenues due and outstanding.
- i) The Borrower has disclosed / furnished all facts / information to the Bank in respect of the Facility and all information in the Facility Application or end use of funds letter or in any supporting documents or otherwise howsoever is absolutely true, correct and complete in all respects and that no fact or information necessary to be furnished by the Borrower has been omitted to stated in order to induce the Bank to provide the Facility.
- j) The Borrower does not violate any covenant, conditions or stipulations under any existing agreements entered into by the Borrower with any party, by availing the Facility from the Bank.
- k) The Borrower assures that all the necessary approvals for availing the Facility and creating the Security have been obtained or shall be obtained.
- l) The Borrower is entitled and empowered to borrow the Facility, provide the Security, and execute the promissory notes if any and all other documents and papers in connection with and upon execution of the same will create legal and binding obligations on the Borrower and shall be enforceable in accordance with their respective terms.
- m) The Borrower shall keep himself acquainted with the rules prescribed by the Bank in force from time to time.
- n) The Borrower assures that no suit is pending in the Municipality, Magistrate's Court or any Court of Law in respect of the Secured Property nor has the Borrower been served with any notice for infringing/evading the provisions/procedures of any Statute in relation to the Secured Property and or with any other process under any of the statutes.
- o) The Borrower agrees, confirms and acknowledges that the Borrower has exercised due care and caution (including, where necessary, obtaining of advise of tax / legal / accounting / financial / other professionals) prior to taking of the decision, acting or omitting to act, in respect of Facility and / or the Purpose and further agrees, confirms and acknowledges that the Bank is not responsible for any delay caused to the Purpose.
- p) The Borrower confirms that the representations and warranties contained herein shall be deemed to be repeated by the Borrower on and as of each day from the date of this Agreement until all sums due or owing hereunder by the Borrower to the Bank have been paid in full, as if made with reference to the facts and circumstances existing on such day.

9. EVENTS OF DEFAULT

The following events shall be considered as "Events of Default": -

- a) If any default shall have occurred in payment of Interest and / or EMIs and / or PEMIs or

any part thereof and / or in payment of any other amounts due and payable to the Bank in terms of this Agreement and / or in terms of any other agreement(s) / document(s) which may be subsisting or which may be executed between the Borrower and the Bank hereafter;

- b) If default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Borrower under this Agreement or any other agreement(s) between the Borrower and the Bank in respect of the Facility or any other loan;
- c) If any information given by the Borrower to the Bank in the Facility Application or otherwise is found to be misleading or incorrect in any material respect or any representation or warranty referred to in Clause 8 is found to be incorrect;
- d) If any Secured Property on which the Security for the Facility is created depreciates in value to such an extent that in the opinion of the Bank further security should be given and such security is not given on written demand;
- e) If the Borrower fails to substitute the guarantee (issued in relation to the Facility) which was revoked by any of the existing guarantors within a time stipulated by the Bank;
- f) The Borrower entering into any arrangement or composition with its creditor or committing any act the consequences of which may lead the Borrower, if individual / partnership / HUF, becoming insolvent/bankrupt and if a Company, being ordered to be wound up.
- g) If an attachment or distraint is levied on the Secured Property or any part thereof and / or proceedings are taken or commenced for recovery of any dues from the Security Provider against the Secured Property;
- h) If the Borrower fails to furnish any information or documents required by the Bank;
- i) If the Borrower fails to inform the Bank of the occurrence of any Event of Default or any event which after the notice or lapse of time, or both, would become an Event of Default;
- j) If a cheque in respect of any monthly payment is not paid on the date thereof or where any such cheque is renewed before the date of its payment; or if a cheque in respect of any payment including but not limited to EMI or PEMII is dishonoured.
- k) If the Borrower fails to deliver PDC's in accordance with the terms of the Facility or as and when demanded by the Bank;
- l) If any Security for the Facility becomes infructuous or is challenged by the Borrower or any other person;
- m) Where the Borrower or where the Facility has been provided to more than one Borrower, any one of the Borrowers gets divorced or dies and the other surviving borrower is incapable of securing the Facility in the sole opinion of the Bank;
- n) Where any payment made by the Borrower to the Bank falls short of payment required to be made by the Borrower with respect to the amount due from the Borrower to the Bank;
- o) If the Borrower fails to furnish to the Bank detailed end use statement of the Facility, as and when so required by the Bank, within 10 (ten) days of receiving such request from the Bank;
- p) There is any change in the constitution, management or existing ownership or control of share capital of the Borrower or if the Borrower ceasing, or threatening to cease, to carry on business (in case the Borrower is a company or partnership firm);
- q) Where the Borrower / Guarantor is an individual or HUF:

- The Borrower / Guarantor commits an act of insolvency or makes an application for declaring himself an insolvent or an order is passed against the Borrower / Guarantor declaring him an insolvent.
- r) Where the Borrower / Guarantor is a partnership firm or society:
- The Borrower / Guarantor is dissolved or a notice of dissolution is given to it or any of its partners or if the Borrower / Guarantor or any of its partners commits an act of insolvency or makes an application for being declared insolvent or an order is passed declaring it or them or any of them an insolvent.
 - There is any change in the constitution, management or existing ownership or control of the Borrower / Guarantor.
 - The Borrower ceases or threatens to cease, or to carry on its business.
- s) Where the Borrower / Guarantor is a company:
- The Borrower / Guarantor is unable to pay its debts within the meaning of section 434 of the Companies Act, 1956 or a resolution for winding-up of the Borrower / Guarantor is passed or any petition for its winding-up filed or any order for winding-up is made against the Borrower / Guarantor or if a liquidator is appointed in respect of any property or estate of the Borrower / Guarantor.
 - There is any change in the constitution, management or existing ownership or control or the share capital of the Borrower / Guarantor.
 - The Borrower ceases or threatens to cease, or to carry on its business.
- t) If any permission, authorization, issued by the competent authority(ies) with respect to legality of the Secured Property or any improvement or construction is withdrawn or cancelled or withheld for any reason whatsoever.
- u) If the Borrower makes any default under any credit facility agreement or arrangement entered into by the Borrower with the Bank, its subsidiaries, affiliates or any bank, financial institution / non banking financial company and / or other creditors.
- v) If the Borrower fails to sign and deliver to the Bank the balance confirmation of the Facility as and when so required by the Bank in the absence of any manifest error in calculation of such statement pointed out by the Borrower within 10 days after receiving the balance confirmation statement from the Bank.
- w) The occurrence of any other event or circumstance, which would or is likely to prejudicially affect in any manner the capacity of the Borrower to repay the loan, the opinion of the Bank in this regard being conclusive.
- x) If the Bank apprehends or has reason to believe that the Borrower is utilizing the amount borrowed or any part thereof for any purpose other than that for which the Facility has been sanctioned.
- y) At any time, it is or becomes unlawful for the Borrower or the Security Provider to perform or comply with any or all of their respective business or any of the Security ceases to be effective.
- z) The Borrower or the Security Provider commits any breach of the terms and conditions of this Agreement.
- aa) Any process being issued by any Court/Tribunal in execution of a decree or attachment before judgment of the properties of the Borrower/Guarantor offered as Security and /or Additional Security to the Bank

10. REMEDIES OF THE BANK

- 10.1 If one or more of the Events of Defaults shall have occurred, then, the Bank by a written notice to the Borrower may declare the principal and all accrued interest and charges on the Facility which may be payable by the Borrower under or in terms of this Agreement and / or any other agreements, documents subsisting between the Borrower and the Bank, as well as all other charges and dues to be due and upon such declaration the same shall become due and payable forthwith and the Security in relation to the Facility and any other loans shall become enforceable, notwithstanding anything to the contrary in this Agreement or any other agreements or documents.
- 10.2 If any Event of Default or any event, which, after the notice or lapse of time or both, would constitute an Event of Default shall have happened, the Borrower shall forthwith give to the Bank notice thereof in writing specifying such Event of Default, or such event.
- 10.3 All reasonable costs incurred by the Bank after an Event of Default has occurred in connection with:
- (i) Preservation of the Secured Property (whether now or hereafter existing); or
 - (ii) Collection of amounts due under this Agreement
- will be charged to the Borrower and if incurred by the Bank the same should be reimbursed, as the Bank shall specify.
- 10.4 The Bank may issue any certificate as regards payment of any amounts paid by the Borrower to the Bank in terms of this Agreement only if the Borrower has paid all amounts due under this Agreement to the Bank and the Borrower has complied with all the terms of this Agreement.
- 10.5 In the Event of Default, the Bank shall be entitled to communicate, in any manner it may deem fit, to or with any person or persons with a view to receiving assistance of such person or persons in recovering the defaulted amounts including not limited to take assistance in relation to the Secured Property and / or any place of work of the Borrower.
- 10.6 In the Event of Default, the Bank may take appropriate legal proceedings for enforcement of the Security as well as for realizing the dues personally from the Borrower.
- 10.7 The Borrower further agrees that during the currency of the Facility and for payment of dues in the Account, the Bank shall have the authority to exercise lien and right of set off and combine accounts without notice and charge on all movable property of every description coming into their possession on account of the Borrower or any one of them or for the time being held by the Bank on behalf of the Borrower or anyone of them whether singly or jointly with others in India or elsewhere including without prejudice to the generality, any moneys, bullion, deposits, deposit receipt for moneys, promissory notes, bills of exchange, hundies, stocks, goods, merchandise, bills notes etc.
- 10.8 The Borrower agrees to accept as conclusive proof of the correctness of any sum claimed to be due to the Bank under this Agreement a statement of account made out from the books of the Bank and signed by the duly authorized officer of the Bank or data / print out of the data in respect of the account stored in a floppy, disc, tape or any other form of electro-magnetic storage device or computer system generated printout without production of any voucher, document or paper.

11. WAIVER

No delay in exercising or omission to exercise, any right, power or remedy accruing to the Bank upon any default under this Agreement, Security Documents or any other agreement or document, shall

Borrower (x)

Co-Borrower (x) 20

impair any right, power or remedy or shall be construed as a waiver thereof or any acquiescence in such default affect or impair any right, power or remedy of the Bank in respect of any other default.

12. EFFECTIVE DATE OF TERMS AND CONDITIONS

This Agreement shall become binding on the Borrower and the Bank on and from the date of execution hereof. It shall be in full force till the Facility is fully amortized / repaid and any other moneys due and payable to the Bank under this Agreement as well as all other agreements, documents which may be subsisting / executed between the Borrower and the Bank is fully paid.

13. INSPECTION, ASSIGNMENT

- a) The Borrower shall permit inspection of all books of accounts and other records maintained by him in respect of the Facility to officers of the Bank. The Borrower shall also permit similar inspection by officers of such other companies, banks, institutions or bodies as Bank may approve and intimate to the Borrower.
- b) The Bank shall have the right to create charge over the Secured Property in favour of any bank, institution or body by way of security for any refinance facility or any loan availed of by the Bank from such bank, institution or body. If there is any mortgage created in favour of the Bank by the Borrower, the Bank shall have the right to transfer or assign such mortgage in favour of any Bank, institution / securitization company or body in connection with any sale or transfer of the Facility by Bank to them.
- c) The Bank shall have the authority to make available any information contained in the Facility Application and / or any document or paper or statement submitted to the Bank by or on behalf of the Borrower and / or pertaining or relating to the Borrower and / or the Facility including as to its repayment, conduct, to any rating or other agency or institution or body as Bank in its sole discretion may deem fit. The Bank shall also have the authority to seek and / or receive any information as it may deem fit in connection with the Facility and / or the Borrower from any source or person or entity to whom the Borrower hereby authorizes to furnish such information.
- d) The Bank has rights to assign any rights, interest and/or obligations to any other party or Person. However, the Borrower shall not assign or transfer any rights, interest and/or obligations in relation to the Facility under this Agreement.

14. DISCLOSURE

- 14.1. The Borrower hereby agrees as a pre-condition of the Facility given to the Borrower by the Bank that, in case the Borrower commits default in the repayment of the Facility or in the repayment of interest thereon or any of the agreed instalment of the Facility on Due Date(s), the Bank and / or the RBI will have an unqualified right to disclose or publish the Borrower's name as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit. Accordingly, the Bank shall have the right to furnish and publish the name of the Borrower as defaulter to the RBI or other regulatory authority. Notwithstanding the above the Borrower understands that as a pre-condition relating to 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 credit facility availed of / to be availed by the Borrower, obligations assured / to be assured by the Borrower in relation thereto and default, if any, committed by the Borrower in

discharge thereof. Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Bank of all or any such

- a) information and data relating to the Borrower;
- b) the information or data relating to any credit facility availed of / to be availed by the Borrower; and
- c) default, if any, committed by the Borrower in discharge of such obligation as the Bank may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Limited and any other agency authorized in this behalf by RBI.

14.2. The Borrower also understands and agrees that:

- a) the Credit Information Bureau (India) Limited and any other agency so authorized may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
- b) the Credit Information Bureau (India) Limited and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them, to Banks / financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf.

14.3. The Bank may disclose to a potential assignee or to any person who may otherwise enter into contractual relations with the Bank in relation to this Agreement such information about the Borrower, as the Bank may deem appropriate.

14.4. The Borrower confirms that the Bank may for the purposes of credit reference checks, verification, etc., disclose any information / documents relating to the Borrower under this Agreement to any third party.

14.5. The Borrower further authorizes the Bank to disclose such information / documents to RBI, income tax authorities, any credit bureau, third parties, credit rating agencies, data banks, corporates, other banks, financial institutions or any other Government or regulatory authorities, statutory authorities, quasi judicial authorities or any marketing agencies.

14.6. The Borrower also agrees that the Bank shall have the absolute discretion to disclose the information / data relating to the Borrower or information in respect of the Borrower's account with the Bank to any recovery agent/s or agency/ies as the Bank may think fit and such recovery agent/s or agency/ies may take appropriate steps against the Borrower or against the Securities / Additional Securities offered to the Bank for recovery of the dues towards the Bank..

15. SECURITIZATION / REFINANCE

- a) The Bank reserves the right to assign / sell / securitize the Facility with or without security, if any, in any manner by transferring and / or assigning or otherwise all its right, title and interest which the Bank deems appropriate for the purpose of securitisation / refinance to any other bank/financial institution/securitisation company or any such organisation or their agents and the Borrower hereby expressly agrees that in that event, Bank is not required to obtain any permission or put the Borrower to any notice.
- b) The Borrower shall be bound to accept any such securitization and any such sale, assignment, or transfer and the Borrower shall accept such other party(s) as creditors exclusively or as a

Borrower (x)

Co-Borrower (x) 22

joint creditor with the Bank , or as a creditor exclusively with the right of Bank to continue to exercise all powers hereunder on behalf of any such other party.

- c) Any cost in this behalf, whether on account of such sale, assignment or transfer or enforcement of rights and recovery of outstanding and dues shall be to the account of the Borrower. The Borrower undertakes to pay to third parties the difference between the Facility outstanding and the amount received by the Bank in the event of transfer of the portfolio to a third party.
- d) Without prejudice to and in addition to any other rights available with the Bank, the Bank shall have all the rights, remedies and action available to it under any law prevalent in India including but not limited to the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- e) In case of sale/assignment the terms and conditions of the Facility agreed by the Borrower with the Bank shall continue to govern and in case of default in repayment by the Borrower, the buying bank / financial institution / securitisation company or any such organisation or their agents shall have recourse to the Borrower and the terms and conditions of sale shall be governed by the agreement/s entered into by the Bank with the buying bank/financial institution/securitisation company/any such organisation or their agents. The Bank may without reference to the Borrower disclose any information or data relating to the Borrower for the purpose of refinance/securitisation/outright sale.

16. INDEMNIFICATION

The Borrower undertakes to indemnify and keep Bank and its officers / employees fully indemnified and harmless from and against all the consequences of breach of any of the terms, condition, statements, undertakings, representations and warranties of this Agreement as also of any of its representations or warranties not being found to be true at any point of time, including any actions, suits, claims, proceedings, damages, liabilities, losses, expenses or costs (hereinafter referred to as “**Claims**”) faced, suffered or incurred by the Bank. Borrower hereby agrees to and understand that this indemnity would cover all acts and omissions on the part of the warranties and / or representations of the Borrower. Similarly, In the event of any Claims being made on Bank, on account of any breach of warranty, representations, non-compliance of any applicable law, unauthorized act, fraud, deed or thing done or omitted to be done or undertaking made by the Borrower or its employees, agents, being false, the Borrower undertakes to pay on first demand made by Bank of any amount on this account without any demur, reservation, contest, protest whatsoever within 7 working days of the demand being made.

17. APPROPRIATION OF PAYMENTS

Unless otherwise agreed to by the Bank, any payment due and payable under this Agreement and made by the Borrower will be appropriated towards such dues in the order, namely:

- a) Interest and / or Default Interest and / or Additional Interest
- b) Principal amount of the Facility
- c) Cheque bounce charges
- d) Costs, charges, expenses, incidental charges and other moneys that may have been expended by Bank in connection with the recovery
- e) Service fees

18. SERVICE OF NOTICE

The Borrower agrees that any notice by way of request, demand or otherwise required to be served hereunder shall be sufficiently served if addressed and transmitted to his address registered in the Bank or in the event of no such address being registered, to their last known place of residence or business and left at such address or place or forwarded to them by post or by courier or by any other means of transmission of documents like fax message or electronic mail service at the address or place aforesaid and if sent by post it shall be deemed to have been given at the time when it would be delivered in due course of post addressed properly and it shall be sufficient to prove that the envelope containing the notice was posted and if sent by courier or fax or electronic mail then delivery confirmation slip, fax / electronic mail confirmation message, as the case may be, shall be sufficient proof of service.

19. SEVERABILITY

The clauses contained in this Agreement are severable and any illegality, invalidity or irregularity, inconsistency or repugnancy of any clause shall not in any way affect the legality, validity or regularity of any other clause of this Agreement.

20. GOVERNING LAW

This Agreement shall be governed by and construed in all respects with the Laws in India.

21. COUNTERPARTS

This Agreement contains the entire agreement between the Parties with respect to the Facility contemplated herein and supersedes all previous written or oral negotiations, commitments and writings with respect to the Facility contemplated herein.

This Agreement may be executed in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original, but all such counterparts together shall constitute one and the same instrument.

22. MISCELLANEOUS

22.1. The Borrower agrees / confirms as follows:

- a) To keep alive the insurance policy / policies assigned in favour of Bank by paying on time the premium as they fall due and produce the receipts to Bank whenever required.
- b) Bank shall have the right to receive and adjust any payment that it may receive in connection with any insurance policy / policies against the Facility and alter the amortization schedule as set out in Schedule hereunder in any manner as it may deem fit notwithstanding anything to the contrary contained in this Agreement or any other document or paper.
- c) That the terms and conditions and all the covenants and details of the Schedule hereunder shall be read and construed as part and parcel of these presents.
- d) That the terms and conditions of this Agreement shall be binding on the legal representatives, heirs, executors, administrators, successors and assigns of the Borrower and the successors and assigns of the Bank

22.2. If the Borrower comprises of more than one individual, all such Person shall be bound jointly and severally and if a firm, such firm and all members of the firm from time to time thereof

Borrower (x)

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shall be bound hereby jointly and severally notwithstanding any change whatsoever in the constitution or style thereof and whether such firm consist of or be reduced to one individual at any time and also such individual members and their respective heirs, executors and administrators and that should the Borrower be a limited company, a corporate or unincorporated body, committee, firm, partnership, trustee or debtors on a joint account, the provision contained herein shall be construed and take effect wherever necessary as if the words importing the singular number also includes the plural number and lastly that if the Borrower be more than one individual at any time any notice served on any one of such individuals shall be deemed to be service of such notice on all such individuals.

- 22.3. It is expressly agreed and declared by the Borrower that in the event of the Borrower making a request to transfer the limits / outstanding liabilities to any other branch of the Bank for being availed of and operated on the ground of convenience or for any other reason acceptable to the Bank and the Bank agrees to transfer the Facility and / or grants further loan as per records and documents separately to be obtained for such further loans by any of the concerned branch the Security created under this Agreement in favour of the branch in which the account is / are maintained shall be available to the branch of the Bank to which such loan stand transferred for the repayment of the amounts then due and that may be due thereafter by the Borrower or by the Borrower jointly with others in any other accounts and the document / records already created shall continue to be enforceable against the Borrower in all respects and for all purposes and intents the said documents / records shall be taken as if they are executed by the Borrower in favour of the branch to which such limit stand transferred.
- 22.4. In case of any foreclosure of the Facility or if all Borrower's Dues and any outstanding amount payable under this Agreement is paid to the Bank, any PDCs or any other documents lying with the Bank shall be destroyed by the Bank. The borrower shall not demand any return of the said PDCs or any other documents provided to the Bank in relation to the Facility.
- 22.5. Nothing contained in this Agreement in particular or any other Transaction Documents in general shall be construed as excluding the general lien and / or the right of set-off the Bank for any balance due to the Bank on any account or in respect of any liability whatsoever over any security for the time being held by or remaining with the Bank.

That the Borrower has read and understood this Agreement and in the event that the Borrower is illiterate and / or cannot read English language, the terms and conditions of this agreement have been read over, translated and explained in detail in the vernacular language to the Borrower.

SCHEDULE

A) FACILITY APPLICATION DETAILS

Application Date:

Application Number:

Sanction Letter dated:

Sanction Letter reference number:

B) PARTICULARS OF THE FACILITY

(x)

S.No.	Particulars	Details
i)	a) Facility amount b) No. of tranches Single/Multiple c) Amount of each tranche	Rs. Rs.
ii)	Purpose	
iii)	Interest Type (Floating/Fixed/Semi Fixed): Rate: Rest:	
iv)	Additional Interest	
v)	Default Interest	
vi)	Amortization of Facility: a) Tenure of Facility b) Number of EMIs c) Amount of each EMI d) Amount of PEMII e) 1 st EMI: f) Due Date of payment of first Monthly Instalment: g) Mode of Repayment: h) Prepayment Charges i) Part Prepayment Charges j) Processing charges	

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C) DETAILS OF SECURED PROPERTY AND OTHER CHARGES

(x)

S.No.	Particulars	Document Details
i.	Description of Property	
ii.	Details of Title deeds	
iii.	Details of Co-borrower	
iv.	Details of the Guarantor	

(x)

	Schedule of Charges	Rs
i.	Processing fees	As per sanction letter
ii.	Cheque Bounce Charges	Rs 500 + Service Tax
iii.	Late Payment Charges	3% per month
v.	Cheque swap charges	Rs 500 + Service Tax
vi.	Facility statement charges (nil for 1 statement every half yearly)	Rs 500 + Service Tax

	Schedule of Charges	Rs
vii.	NOC issuance charges (nil for first NOC)	Rs 500 + Service Tax
viii.	Document retrieval charges	Rs 500 + Service Tax
ix.	EMI cycle change	Rs 500 + Service Tax
x.	Foreclosure statement charges	Rs 200 + Service Tax
xi.	Switch charges (Floating to fixed and vice versa only if the product exists at the time of request and is permitted by the bank)	3% + Service tax of the loan outstanding
xii.	Facility Cancellation charges	Rs. 2000 + Service Tax plus interest charges from disbursement date till cancellation request
xiii.	Part Prepayment Charges	As per sanction letter
xiv.	Foreclosure charges	As per sanction letter
xv.	Stamp duty (Facility documentation & Property) +	As per Actuals
xvi.	Legal, Repossession and incidental charges	As per Actuals
xvii.	Insurance Premium	As per Actuals
xviii.	Creation of Charge with ROC	As per Actuals
xix.	Any other charge	As per sanction letter

IN WITNESS WHEREOF the Parties have executed this Agreement on the day and the year first hereinabove written,

Signed and Delivered by

In case of an Individual:

_____, the _____ within
named (x) Borrower.

OR

In case of a sole proprietorship concern:

_____, (the
withinnamed Borrower), Sole Proprietor, for
and on behalf of M/s _____ (x)
(name of the Sole Proprietorship Concern).

OR

In case of a Partnership Firm:

Mr. _____ (x)

Mr. _____

[Mr. _____
(Name of Guardian) on behalf of [Name of
Minor]⁶

Mr. _____ (Name
of Karta) on behalf of [Name of HUF]⁷ and

Mr. _____⁸ (Name of
Partners), (the withinnamed Borrower),
Partner(s) of M/s _____ (x)
_____ (name of
the Partnership firm).

OR

In case of partnership firm:

Mr. _____ [and Mr.
(x) _____]
(the within named Borrower) the duly
authorised Partner(s) authorised vide the
[Deed of Partnership dated _____ /Letter
_____]

⁶ This is in case a **minor** is admitted to the benefits of the Partnership Firm. Please note that this is in addition to signing in their capacity as a partner (if the guardian is also a partner in his individual capacity).

⁷ This is in case a Hindu **Undivided Family** is a Partner in the Partnership Firm. Please note that this is in addition to signing in their capacity as partners.

⁸ Please ensure all partners (other than any minor(s)) are named here.

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of Authority dated _____ for and on
behalf of M/s _____ (Name
of the Partnership firm)
(x)

OR

In case of Hindu Undivided Family:
_____, (x)
(the within named Borrower),
Karta of the Hindu Undivided Family

OR

In case of a Body Corporate:
_____, (x)
(the within named Borrower), the duly
authorised signatory, authorised vide Board
Resolution dated _____ for and on behalf
of _____ (name of
the Company).

(If the Guarantor is a Company and if under
its constitutional documents and / or
resolutions require the Common Seal of the
Company.)

OR

In case of a Trust/Association / Society:
_____, (x)
(the within named Borrower), the duly
authorised signatory, authorised vide Board
Resolution dated _____ for and on behalf
of _____ (name of the
Trust/Association/ Society).