

FACILITY AGREEMENT

THIS AGREEMENT executed at the place and date as specified herein below by the person(s) described in the Schedule herein below (hereinafter collectively and severally referred to as "The Borrower of the FIRST PART

AND

Equitas Small Finance Bank Limited., a Banking company incorporated under the companies Act, 1956 and carrying on the Banking business under the Banking Regulation Act, 1949 and having its registered office at 4th Floor, Phase-II, Spencer Plaza, 769, Anna Salai, Chennai- 600002, hereinafter called "the Bank" which term unless the context otherwise requires includes its successors and assigns from time to time of the

SECOND PART.

The expression "the Borrower" shall include its respective heirs, executors, administrators, surviving partners, successors, Coparceners, members, all trustees, as the case may be.

WHEREAS:

- a. The Borrower is in the business as specified in the Schedule herein below.
- b. The Bank at the request of the Borrower is agreeable to grant such Credit Facility upto the limit(s) as specified in the Schedule herein below with full power to the Bank from time to time to renew or reduce or enhance the limit or altogether withdraw the Facility on the terms and conditions appearing herein (hereinafter collectively and individually referred to as "the said Credit Facility"), read with the sanction letter details of which are specified in the Schedule herein below.

NOW THIS AGREEMENT WITNESETH:

I. AMOUNT AND PURPOSE OF THE CREDIT FACILITY:

The Borrower has borrowed/continues to borrow from the Bank and the Bank has granted /continue to grant to the Borrower a Credit Facility as specified in the Schedule herein below.

II. SPECIAL CONDITIONS:

[A] In case of the Borrower availing this Facility in the form of Term Loan:

1) INTEREST AND OTHER CHARGES:

- 1.1 The Borrower(s) agrees to pay interest on the loan as per the Schedule to this Agreement and which shall be fixed at all times in relation to and linked to External Benchmark Rate and the Interest rate at monthly rest calculated on the daily balance of the loan amount. The Borrower(s) is aware that the above said rate i.e. External Benchmark Rate, is as defined hereinabove in this Agreement and declared from time to time by the Bank.
- 1.2 The Borrower(s) is aware and confirms that the Bank shall at any time and from time to time be entitled to change the rate of interest depending on the changes in the External Benchmark Rate, and such revised rate of interest shall always be construed as agreed to be paid by the Borrower(s) and hereby secured. Borrower(s) shall be deemed to have notice of change in the rate of interest whenever the change in the Interest Rate are displayed/notified at/ by the branch and/or in the website of the Bank as per the Scheme of the Bank.
- 1.3 Interest on the Loan shall begin to accrue from the date of debit to the Loan account simultaneously with the Bank's disbursement of the Loan by issuing disbursement Payment Order/Demand Draft or otherwise without the Bank concerning itself with the receipt of such disbursement by the beneficiary/recipient and also with the realization of such Payment Order/Demand Draft or the time taken in such realisation.
- 1.4 Interest on the Loan shall be computed and debited to the Loan Account-
 - i) at the intervals as stated in the Schedule
 - ii) Taking the basis of 365 days a year
 - iii) At interest rate more particularly described in the Schedule herein or as may be prescribed by the Bank from time to time and
 - iv) On the actual amount outstanding on the last day of the preceding period of the interval as stated in the Schedule.
 - v) Interest from the date of debit to the Loan account shall be payable every month.
- 1.5 GST and other taxes/levies as may be applicable from time to time on the loan shall be borne solely by the Borrower(s).
- 1.6 The Bank shall be entitled to debit all other amounts due and payable by the Borrower(s) under this Agreement (including but not limited to interest tax, service tax, fees, stamp duty, processing fee, login fees, costs, service and other charges, claims and expenses including expenses which may be incurred by the Bank in the enforcement or attempted enforcement of security created in favour of the Bank) to the Borrower(s)' Loan account, unless separately reimbursed to the Bank by the Borrower(s). Such amounts shall form part of the Loan.
- 1.7 All amounts in default for payment (i.e. not paid by the Borrower(s) when due to the Bank) debited to the Loan account shall attract penal-charges as per the schedule.

For Equitas Small Finance Bank Ltd.

Authorised Signatory

1.8 Interest on the Loan shall be payable every month separately.

1.9 Equitas Small Finance Bank Limited will Quarterly reset all disbursed loans on predefined date. The reset dates and frequency shall be displayed at the Equitas Small Finance Bank Limited website or at the branch.

1.10 The External Benchmark Rate prevailing on the day the facility is opened and the credit limit is set up by the Bank for utilization will be applicable till the next reset date, irrespective of the changes in the External Benchmark Rate during the interim period.

2) (a) REPAYMENT:

The principal amount of the Credit Facility shall, if not demanded earlier by the Bank as mentioned herein, be repaid by the Borrower to the Bank as per repayment stipulated in the sanction, provided however that the Bank will be entitled to demand immediate repayment of the Credit Facility amount if any installment of interest/Credit Facility installment remains unpaid on the due date for payment thereof.

(b) PREMATURE PAYMENT:

i. The Borrower shall have no right to repay the outstanding financial assistance in full or in part at any time except as specified hereto. In case the Borrower wants to prematurely repay the outstanding financial assistance, the same shall however, be entirely at the sole discretion of the Bank and the acceptance of the said request shall be subject to such terms and conditions including prepayment charge, as may be stipulated by the Bank in this behalf.

ii. The Borrower agrees that the Bank may, in its own discretion without assigning any reason and upon written notice mailed or delivered to the Borrower cancel the Credit Facility herein granted and demand repayment thereof. Delivery of such notification by the Bank shall constitute sufficient notice of such cancellation, and thereupon the said Credit Facility, all interest due and payable thereon 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.

[B] In case of the Borrower availing this Facility in the form of Cash Credit:

a) The Borrower may be allowed to overdraw the account at the discretion of the Bank, overdrawing may be approved by the bank upon request of the borrower.

b) In such an event of the Bank granting excess drawing to the extent as specified in (a) above, the total number of days of such excess drawing allowed under this scheme shall not exceed 90 days in a year (ie. from the date of sanction to the day the account falls due for renewal), unless otherwise specifically permitted by the Bank.

c) The Borrower undertakes and confirms that all the security documents executed for the sanctioned limit shall automatically stand extended to the excess drawing permitted by the Bank.

d) Subject to clauses (a) to (c) above, the Borrower undertake to operate and monitor the said credit Facility in a manner so that the outstanding in the account do not exceed the sanctioned limit or the drawing power, whichever is lower. In the event of any exceeding or overdrawings, the Borrower shall immediately regularize the position and shall also be liable to pay penalcharges on the overdue amount or the entire outstandings, at the discretion of the Bank.

e) The Borrower agrees that the Bank at its discretion will charge and recover a Commitment fee at a rate which may be stipulated by it, and as specified in the Schedule herein below on the unutilized portion of the said credit Facility, for the period, utilization of the credit limit remains below the sanctioned limit.

f) The Borrower shall submit to the Bank a duly signed statement of stocks, receivables, other assets charged to the Bank as security for the said credit Facility, at monthly or any other periodical interval specified by the Bank, in a form acceptable to the Bank.

g) The Borrower shall furnish the Bank with all such information as the Bank may reasonably require for satisfaction as to due compliance with terms of the said credit Facility and all such periodical reports and information, at such intervals, in such form and containing such particulars as you may call for the purpose of ascertaining the results of the utilisation of the said advance.

h) * (Applicable to partnership firms and multiple Borrowers) The Borrower expressly agrees that any notice addressed to any one of the Borrowers regarding revision in the rate of interest or/and any other terms of sanction governing the said credit Facility, shall be deemed to be notice given to all and such notice shall be sufficient and binding on all of us and each one of us expressly authorises the others severally to receive such notice on each one's behalf.

i) The Borrower shall not invest or lend money except in the normal course of business or act as surety or Guarantor without getting the written consent of the Bank.

j) Borrower shall not lease out or dispose of the immovable property/current assets/other assets or part thereof mortgaged/hypothecated to the Bank without the prior written consent of the Bank, nor shift the assets to any place without the prior written consent of the Bank. The details of the security are morefully described under the Schedule to this agreement.

k) In the event of the closure of the Unit/Shop or stoppage of work due to strike, lock-out, mechanical breakdown, want of raw materials, non-movement of finished goods, power shortage or/and for any other reason, intimation will be sent to the Bank by Borrower within 3 days of the occurrence of closure or stoppage of work.

l) The Borrower shall maintain a margin of 25% on Stocks and 40% on receivables unless otherwise stipulated in the sanction.

[C] In case of Card Power Overdraft facility

The Bank agrees to sanction the Overdraft Facility as specified in Schedule to this Agreement and as varied, from month to month, on review against the hypothecation of charge slips/receivables submitted by the Borrower relating to all Debit/Credit issued by any Bank

in India and includes Master Card, Visa Card, Rupay and includes any such services provided by any institution or Body Corporate who presently discount the credit and debit card sale at the Borrower's Establishments, including any new or subsequent entity (hereinafter collectively referred to as "Card Banks") with whom the Borrower may tie up with prior intimation to Equitas Small Finance Bank Limited.

"Receivables" shall mean and include all amounts of daily collection/receipts, including credit/debit/prepaid card/Payment gateway Receivables, arising out of the sales of any goods dealt by the Borrower and/or anything in lieu of goods by the various outlets both existing /proposed to be set up by the Borrower in future and shall include all amounts set aside as specific percentage of such receivables in the Zero Limit overdraft account.

"Zero Limit Overdraft Account" shall mean an account where a part of card receivable shall be parked as per the terms of sanction from where the overdue amount shall be recovered.

"Flexi Fixed Deposit" shall mean fixed deposit created for a maximum tenor of 6 months from the "Zero Limit Overdraft Account" once the balance in the account exceeds Rs.10000/-. The Flexi Fixed Deposit shall be used to adjust the overdue in the card power plus overdraft account. The Flexi Fixed deposit so created if not adjusted against the overdue within a period of 6 months shall continue to be renewed automatically for a further maximum period of 6 months.

[D] In case of Overdraft facility

- a. The Bank shall, unless otherwise agreed between the Borrower(s) and the Bank, disburse the Loan in lump sum by issuing a Banker's Payment Order or a Demand Draft crossed as "A/c Payee only" in the name of the Borrower(s) or in the name of the previous financier towards the repayment of the previous loan to be taken over by utilizing this Loan or through RTGS as the case may be upon request of the borrower. In case the funds remitted through RTGS towards takeover, the borrower undertakes not to utilize the funds so remitted towards takeover.
- b. It is understood that the charges in relation to the disbursement (including charges for issuance or for collection of proceeds by the beneficiary on such payment order or demand draft) shall be borne by the Borrower(s).
- c. The Bank may not disburse at any time, any amount under the Loan unless the following conditions are complied with in the sole discretion of the Bank:
 - i) The Loan Agreement is duly executed and delivered to the Bank by the Borrower(s); ii) The Borrower(s) satisfies the Bank of its clear and marketable title to the Property; iii) The Borrower(s)' submission to the Bank of post dated cheques towards repayment; and iv) Any other document or writing as the Bank may require in its sole discretion.
- v) Submission of all the necessary approvals and permission from the appropriate authorities including but not limited to approvals and certificates from corporations.
- d. The Bank may not, having disbursed any amount, disburse any further amount under the Loan unless the following conditions are complied with in the sole discretion of the Bank before such further disbursement: i) No event of default shall have occurred;
 - ii) The Borrower(s) shall have produced evidence of the use of prior disbursements;
 - iii) The Borrower(s) shall have assigned in favour of the Bank, the insurance policy (ies) as required by the Bank; iv) The Borrower(s) shall have produced his periodic financial statements; and
- v) The Borrower(s) shall have produced all or any other documents or writings as required by the Bank in its sole discretion, which shall be binding on the Borrower(s).
- e. The Borrower(s) shall repay to the Bank the amount on demand and in accordance with the Schedule.

III. Disbursement

1. The Bank shall, unless otherwise agreed between the Borrower and the Bank, disburse the Loan in lump sum or in suitable installments to be decided by the Bank, in the name of the Borrower(s) or in the name of the previous financier towards the repayment of the previous loan to be taken over by utilizing this Loan or as per any other authorization given by the Borrower/s. The disbursement so made shall be at the request of the borrower.
2. The Bank has absolute right to settle any indebtedness whatsoever owed by the Borrower to the Bank under this Document 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 and/or the guarantors with the Bank without giving prior notice to the Borrower. However, Bank will intimate the Borrower and/or the guarantors of such exercise of rights under this clause. The Bank's rights hereunder shall not be affected by the Borrower's or the guarantor's bankruptcy, death or winding-up. It shall be the Borrower's and the guarantor's sole responsibility and liability to settle all disputes/objections with any such joint account holder.
3. The Bank may not, having disbursed any amount, disburse any further amount under the Loan unless the following conditions are complied with in the sole discretion of the Bank before such further disbursement: i) No event of default shall have occurred;
 - ii) The Borrower shall have produced all or any other documents or writings as required by the Bank in its sole discretion, which shall be binding on the Borrower.

IV Limit Cancellation Clause

- i) Notwithstanding anything contained in the sanction letter, The Borrower agree that the Bank in its discretion may reduce or otherwise vary the limits, margins or other conditions or types of credit facilities so sanctioned. The Bank is also at liberty to disburse the sanctioned credit facility either in one lump sum or in instalments or stages as it may deem fit.
- ii) Further, the Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Loan/Facility at any time during the subsistence of the Loan/Facility, without any prior notice to the borrower, for any reason whatsoever, notwithstanding the payment of the commitment charges by the Borrower on the undrawn/unavailed/unused portion of the Loan/Facility. In the event of

- viii. The Borrower hereby agree and undertake that no such person whose name is appearing in the list of Willful defaulters shall be inducted on its board and that in case, such a person is found to be on its Board, it would take expeditions and effective steps for removal of such person from its Board.
- ix. The Borrower hereby acknowledge and agree that the Bank has a right to award a separate mandate to our Auditor or any independent Auditor, as the Bank may deem fit with a view to obtain a specific certificate regarding diversion/siphoning of fund by the Borrower. The Borrower agrees and undertake to co-operate with such Auditors and provide the necessary information and/or documents as may be required by such Auditors. The Borrower also agree and undertake to bear all the expenditure in respect of obtaining the said Certificate and agrees to indemnify and keep the Bank indemnified in this regard.
- x. The Borrower shall not be entitled to directly or indirectly assign his/their rights or obligations under this Agreement in part or in whole to any person.
- xi. Interest on the Credit Facility shall be computed and debited to the Loan Account taking the basis of 365 days a year xii. The Borrower also agree, undertake and confirm as under:
 1. The Borrower understand that as a precondition relating to the grant of and/or continuing the grant of credit facility to us, Equitas Small Finance Bank Limited required the borrowers consent for the disclosure by the Bank of, information and data relating to us, of the Credit Facility availed of /to be availed by us, in discharge thereof.
 2. Accordingly, the Borrower hereby agree and give consent for the disclosure by Equitas Small Finance Bank Limited of all or any such:
 - Information and data relating to us;
 - The information of date relating to its credit Facility availed of /to be availed by us and
 - Default, if any, committed by us, in discharge of my/our /the Company's such obligation; as Equitas Small Finance Bank Limited may deem appropriate and necessary, to disclose and furnish to Credit Information Bureau and any other agency authorised in this behalf by Reserve Bank of India ["RBI"].
 - The Borrower declare that the information and data furnished by the borrower to Equitas Small Finance Bank Limited are true and correct.

The Borrower also undertake that:

- Credit Information Bureau 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
- Credit Information Bureau 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.
- 3) The Borrower agree, undertake and authorize the Bank to exchange, share or part with all the information, data or documents or other information as mentioned above and also the information relating to the conduct of the Borrower's accounts, credit history or to the Borrower, whether under consortium or multiple banking or sole banking arrangement and repayment record, with other banks/financial institutions involved in the financing arrangement 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.
- 4) The Borrower agree 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 then name of the Borrower, its directors, partners, as case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.
- xiii. In the event the Borrower fails to pay when due any sum which it may owe to the Bank and the Bank shall commence legal proceedings to recover such sum, the Borrower will further pay the Bank all advances, charges, cost and expenses, including reasonable legal fees, incurred or paid by the Bank in exercising any right, power or remedy conferred by this agreement, (or in the enforcement thereof shall become a part of the indebtedness secured hereunder and shall be paid to the Bank by the Borrower immediately and without demand).

III. EVENT OF DEFAULT:

At the option of the Bank, and without necessity of any demand upon or notice to the Borrower, all of which are hereby expressly waived by the Borrower, and notwithstanding anything contained herein or in any security documents executed by/to be executed by the Borrower in the Bank's favour. the said Dues and all of the obligations of the Borrower to the Bank hereunder, shall immediately become due and payable irrespective of any agreed maturity, and the Bank shall be entitled to enforce its security, upon the happening of any of the events stipulated in the sanction, including the following:

- a) If any representations or statements or particulars made in the Borrower's proposal/application are found to be incorrect or the Borrower commits any breach or default in performance or observance of these present or failure to keep or perform any of the terms or provisions of any other agreement between the Bank and Borrower in respect of this Credit Facility.
- b) If the Borrower commits any default in the payment of principal or interest or any obligation of the Borrower to the Bank or to any other Bank or Credit Grantor when due and payable;

- c) If there is any deterioration or impairment of the securities/ the said property or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes the securities in the judgement of the Bank to become unsatisfactory as to character or value;
- d) If any attachment, distress, execution or other process against the Borrower, or any of the securities is enforced or levied upon;
- e) The death, insolvency, failure in business, commission of an act of Bankruptcy, general assignment for the benefit of creditors, if the Borrower suspends payments to any creditors or threatens to do so, filing of any petition in Bankruptcy of by, or against the Borrower or filing up of any petition for winding up of the Borrower.
- f) If the Borrower (being a Company) goes into liquidation for the purpose of amalgamation or reconstruction, except with prior written approval of the Bank;
- g) If Borrower (being a partnership firm) without the prior approval of the Bank is dissolved or reconstituted as a result of the retirement or resignation of any partner;
- h) If a receiver is appointed in respect of the whole or any part of the property/assets of the Borrower;
- i) If the Borrower, without prior written consent of the Bank, creates or attempt or purport to create in favour of anyone else, any charge, mortgage, pledge, hypothecation, lien or other encumbrance over the Borrower's property or any part thereof, which is or shall be the security for the repayment of the said Dues except for securing any other obligations of the Borrower to the Bank;
- j) If any circumstance or event occurs which is prejudicial to or impairs or imperils or jeopardise or is likely to prejudice, impair, imperil, depreciate or jeopardise any security given by the Borrower or any part thereof;
- k) If the Credit Facility or any part thereof is utilized for any purpose other than the purpose for which it is applied by the Borrower and sanctioned by the Bank;
- l) if any circumstance or event occurs which in the sole opinion of the Bank may jeopardise or likely to impact the ability of the Borrower to service the said Facility herein granted in terms of prompt repayment of principal and interest on due dates
- m) if the Borrower fails to conduct the account in a normal and proper manner including things such as not submitting stock statements periodically as mandated by the Bank or insuring and keeping insured all the current assets as well as immovable properties secured to the Bank for the purpose of this Facility or not permitting the Bank or its officials or its auditors or authorized representatives access to the books of accounts of the Borrower or to its business premises or its godown or warehouse etc.

IV. CONSEQUENCES OF DEFAULT:

- i. 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. The Borrower shall also promptly inform the Bank if and when any statutory notice of winding-up under the provisions of the Companies Act, 1956 or any other law or of any suit or legal process intended to be filed/initiated against the Borrower, is received by the Borrower.
- ii. If the Borrower makes default in payment of the said Dues or any part thereof, the bank would be at liberty (but not bound to do so) to appoint its nominee as Receiver without having resort to a Court of Law and/or to a proceeding in Court, to take possession of the properties of the Borrower held /to be held by the Bank as security for the Credit Facility hereunder or under any other security document(s) executed / to be executed by the Borrower and/or the Guarantor/s in favour of the Bank and the Bank shall also be entitled to resort to any or all the legal remedies as provided under Article VIII below.
- iii. The Bank shall have a lien and right of set-off on all moneys belonging to the Borrower standing to their credit in any account whatsoever with the Bank. If upon demand by the Bank the balance outstanding in the Credit Facility account is not repaid within the prescribed time, such credit balance in any account may be adjusted towards dues under the Credit Facility account. In case of any deficit, the deficit amount may be recovered by the Bank from the Borrower.
- iv. On the question whether any of the above events/circumstances has occurred/happened, the decision of the Bank shall be final, conclusive and binding on the Borrower.
- v. In case of breach of the terms or in case of any of the events happening as stated hereinbefore, the Bank would have the full rights to sell, dispose off or realise the said securities on such terms and for such price that the Bank thinks fit, and apply the net proceeds towards the satisfaction of the balance outstanding in the Credit Facility account including charges, expenses, etc.
- vi. The Borrower hereby agrees as a pre-condition of the said credit Facility/ies being granted to it that in case the Borrower commit default in the repayment of the Credit Facility/ies or in the repayment of interest thereon or any of the agreed installment of the Credit Facility/ies on due date/s the Bank and /or Reserve Bank of India will have an unqualified right to disclose or publish its name or the name of its directors/partners/proprietors as defaulter in such manner and through such medium as the Bank or Reserve Bank of India in their absolute discretion may think fit.
- vii. The Borrower confirms unconditionally and irrevocably that it shall have no objection in case the Bank decides to assign/sell a part of the entire Credit Facility/credit Facility along with securities of the said machinery/goods/assets/properties etc. to another Bank/institution/limited company/Government body or department. (assignee/buyer). In such case the Borrower shall become the primary Borrower of such assignee /buyer and shall at no point of time raise any objection, legal or otherwise regarding assignment, transfer and sale of the securities by the Bank in favour of the assignee / buyer.

V. OTHER CONDITIONS:

- i) The Borrower shall restrict his dealing to Equitas Small Finance Bank Limited and shall not open an account with any other Bank(s). The Borrower may with the prior written approval of Equitas Small Finance Bank Limited, open such accounts as may be permitted with other Bank(s) however, in case the Borrower is permitted to deal with other Bank(s) a statement of the account shall be submitted to Equitas Small Finance Bank Limited on a monthly basis.

ii) The rights, powers and remedies given to the Bank by this agreement shall be in addition to all rights powers and remedies given to the Bank by virtue of any other security, statute, or rule of law. The Bank may exercise a Banker's lien or right of set-off with respect to any obligation of the Borrower to the Bank in the same manner as if the obligation were unsecured and shall have a lien on all property or securities of the undersigned in the Bank's possession or custody whether for safe-keeping or otherwise. Any forbearance or failure or delay by the Bank in exercising any right, power or remedy hereunder shall not be deemed to be waiver of such right, power or remedy, and any single or partial exercise of any right, power or remedy hereunder shall not preclude the further exercise thereof and every right and remedy of the Bank shall continue in full force and effect until such right, power or remedy is specifically waived by an instrument in writing executed by the Bank.

iii) The Borrower shall reimburse and pay to the Bank all costs, charges and expenses, including stamp duty and legal costs on actual basis and other charges & expenses which may be incurred in preparation of these presents and related to and/or incidental documents as also for the enforcement or attempted enforcement of the security hereby created.

iv) Nothing contained in these presents shall be deemed to limit or affect prejudicially the rights and powers of the Bank under the security documents or letters of guarantee or any of them or under any law.

v) No delay in exercising or omission to exercise any right, power or remedy accruing / available to the Bank upon any default or otherwise hereunder or any other security documents/letters of guarantee shall impair or prejudice any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence therein.

vi) The Borrower shall indemnify and keep indemnified the Bank 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. The Bank shall be entitled to include any amount payable by the Borrower under this clause in the said Dues being the subject matter of this Agreement.

vii) 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 from him.

viii) The Borrower shall execute in favour of the Bank or any nominee/agent of the Bank any DP Note/further/additional/fresh deeds/documents etc. whenever required by the Bank to do so.

(*These clauses are applicable in the case of Company and / or partnership firms only) xi) The claims of the Bank shall have precedence over the claim of the partners/Directors by way of remuneration, interest, etc.

VI. RIGHT TO ASSIGN:

The Lenders (or any of them) may assign or otherwise transfer the facility (or the portion thereof respectively advanced by them) to any third party and pursuant to which the Lenders (or any of them) shall be entitled to assign the Security created herein with all or any rights under this Agreement without the prior written consent of the Borrower.

VII. SERVICE OF NOTICE:

Any notice or correspondence shall be in writing and to be addressed at the above mentioned address of the Borrower and shall be deemed to have been sufficiently served if delivered by hand or addressed by Registered A.D. Post reputed courier services, at the address mentioned herein above or is sent by mail to the mail i.d of the borrower herein mentioned or such other mail i.d as may be advised by the borrower to the Bank from time to time; and such service shall be deemed to have been effected in case of delivery by hand on the date on which it is delivered and in case of delivery by Registered A.D.Post on the expiry of 5th day of such posting and in case of delivery by Courier, on the expiry of 3rd day of such posting and in case of mails, on the day the mail has been sent.

VIII. ARBITRATION, DEBT RECOVERY TRIBUNAL, SARFAESI, GOVERNING LAW AND JURISDICTION :

A. This Agreement shall be governed by, and construed in accordance with the laws of India.

B. ARBITRATION :

1. Any and all dispute(s), difference(s) and/or claim(s) arising out of or touching upon this Agreement or in relation to this agreement, whether during its subsistence or thereafter, shall be referred by the Lender to e4Arbitration by a Sole Arbitrator appointed by:

a) Madras Chamber of Commerce and Industry, currently having its office at Karumuttu Centre, I Floor, North Wing, Nandanam, Chennai 600 0035.

(or)

b) Council for National and International Commercial Arbitration (CNICA), currently having its office at Unit No: 208, 2nd Floor, Beta Wing, Raheja Towers, No: 113-134, Anna Salai, Chennai 600 002.

(or)

c) Madras Arbitration Solutions (MAS), currently having its office at Vignesh Apartment, 23/9, Jothiramalingam Street, West Mambalam, Chennai -600 033.

Hereinafter referred to as 'institution'), in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof from time to time. The entire arbitral proceedings shall be conducted by the Sole Arbitrator in the manner he/she considers appropriate and the award rendered by the Sole Arbitrator shall be final and binding on all the parties to this agreement.

2. The institution shall provide administrative assistance to the Sole Arbitrator to facilitate the conduct of the arbitral proceedings, if he/she chooses to avail of such assistance from the institution.

3. The said arbitral proceedings shall be based on documents executed between the parties and the Sole Arbitrator shall be entitled to, solely at his/her discretion, conduct the proceeding through exchange of mail, e-mail and/or any other mode of electronic communication including Video Conference (VC), online, virtual hearing etc., using an external application or platform, if necessary. The parties to the arbitration proceeding shall be bound by the decision of the arbitrator in this regard.
4. The Parties hereby consent to have the arbitral proceeding conducted by a written pleading, documents, written submissions and/or any other electronic mode of communication-based arbitration as may be determined by the arbitrator.
5. The Parties herein agree not to insist on in-person and/or oral hearings except in certain exceptional circumstances as the Sole Arbitrator may deem fit.
6. The Parties herein agree that the venue and seat of the arbitration proceeding shall be at Chennai.
7. The language of arbitral proceedings shall be English.
8. The parties herein agree that in the event of such an arbitrator to whom the matter has been originally referred to dying or being unable to act as arbitrator for any reason specified in the Act, the institution, shall appoint another person as it may deem fit to act as arbitrator, who shall proceed with the reference from the stage, at which it was left by his/her predecessor.
9. The Arbitrator so appointed shall also have the power to pass an award on the hypothecated asset or any other security interest created between the parties and also to pass interim orders/directions as may be appropriate to protect the interest of the parties pending adjudication of the claim and/or resolution of the dispute.
10. Parties also consent to the following:
 - a) to send a copy of the award so passed by him/her and duly certified by him/her through post/courier or a scanned image of such an award to the parties through e-mail or any other electronic mode through such institution, as he/she deems fit, which shall be considered as a signed copy for the purposes of the Act.
11. If the award is not made or could not be made within 12 months from the date of completion of pleadings by the arbitrator, for any reason whatsoever, the parties hereby consent for an extension of time for another six months.
12. In respect of the arbitral proceeding, all notices, processes and communications in that regard to all the parties shall be through mail/email or any other electronic mode of communication, as may be determined by the arbitrator and if resorted to, shall be a valid service of notices, processes and communications on the parties. Any notice, processes and communications issued to the counsel representing the parties to the arbitration proceeding shall be a deemed and valid service on the parties.
13. The mail/e-mail and/or any other electronic mode of address provided by the Borrower(s)/ Co-Borrower(s)/Guarantor to the lender under the loan agreement or any other executed by Borrower(s)/ Co-Borrower(s) and/or Guarantor with the lender shall be deemed to be an active mail/e-mail and/or any other electronic mode of address and any change or other discrepancies in the mail/e-mail and/or any other electronic mode of address provided above, shall be informed to the Lender promptly.
14. All communications shall be deemed to be considered as received by the Lender/ Borrower(s)/ Co-Borrower(s) and/or Guarantor as the case maybe, within five days from the time of initiating the communication. In case, if after the expiry of five days from the date of communication, there lies no response from the Lender/ Borrower(s)/ Co-Borrower(s)/Guarantor as the case maybe, it shall be the discretion of the Sole Arbitrator to proceed further with the arbitration proceeding and/or render the award as the case maybe in their absence.
15. It shall be the responsibility of the Lender/ Borrower(s)/ Co-Borrower(s)/Guarantor to maintain sufficient space in the e-mail account and or in any other mode of electronic account(s) and also to have supporting applications/software in their computer/mobile/any other electronic device or accessories and infrastructure required to access the electronic documents sent to them and also to enable the arbitrator to conduct the arbitration proceeding through VC, online, virtual hearing etc.
16. Unless otherwise directed by the Sole Arbitrator, the existence or subsistence of a dispute or the commencement of arbitral proceedings under this clause shall not in any manner prevent or postpone the performance of any obligations of any Party which do not form part of the dispute.
17. The parties to the agreement agree to submit to the exclusive jurisdiction of courts in Chennai.
 - a) Notwithstanding or without prejudice to the arbitration clause, in the event the Debt Recovery Tribunal, Chennai has jurisdiction over the dispute, difference and/or claim that may have arisen between/among the parties, the Lender shall, at its discretion invoke the jurisdiction of the Debt Recovery Tribunal, Chennai, which shall have exclusive jurisdiction to settle such dispute, difference and/or claim.
 - b) Without prejudice to the rights of the Lender under 17 (a) above, the Bank shall have the right to invoke the provisions of THE SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002 and its statutory amendments thereof over the asset/s hypothecated and/or mortgaged to it under this agreement.
 - c) Notwithstanding the initiation and pendency of the arbitration proceeding, the Bank shall have the right to enforce its right against the mortgaged security by invoking the provisions of SARFAESI.

IX. JURISDICTION:

This agreement has been accepted and executed by the bank at Chennai and all covenants, terms and conditions hereof including, payments, shall be observed and performed at Chennai and the Borrower specifically agree, subject to the arbitration clause contained herein, that courts in Chennai alone shall have exclusive jurisdiction over any matter arising out of or concerning this agreement.

IN WITNESS WHEREOF THE PARTIES HEREIN SIGNED THIS AGREEMENT ON THE DAY, MONTH AND YEAR, AS STIPULATED IN THE SCHEDULE IN THE PRESENCE OF THE FOLLOWING WITNESSES.

BORROWER

***IN CASE OF AN INDIVIDUAL**

- 1.
- 2.
- 3.
- 4.
- 5.

***IN CASE OF A COMPANY**

The common seal of the company has been hereunto affixed at the place and date first hereinabove mentioned at.....

The Common Seal of.....Ltd. has been affixed hereunto pursuant to the

Resolution of the Board of Directors)
dated..... in the presence of:)
1.)
2.)

the Director/s and/or the, who have in token thereof, subscribed their signature hereto.

***IN CASE OF PARTNERSHIP FIRM**

The Partners of the Firm have executed the Deed at the place and date herein above mentioned.

For..... (Name of the Partnership Firm)

(Partners)

In case of Limited Liability Partnership firm

IN WITNESS WHEREOF the designated Partners of the Firm have set and subscribed their respective hands hereto, the day and year first herein above mentioned

For.....(Name of the Limited Partnership Firm)

(Designated Partners)

***IN CASE OF PROPRIETARY CONCERN**

The said Proprietor has executed the Deed at the place and date herein above mentioned.

For.....

Proprietor

*In case of HUF

The coparceners and all the members of Hindu Undivided Family have executed the Deed at the place and date herein above mentioned.

For.....

*In case of Trust/Society

The authorised signatory has executed the Deed at the place and date herein above mentioned.

For _____

(Authorised Signatory)

(*PLEASE DELETE WHICH IS NOT APPLICABLE)

WITNESS :

1.

2.

Key Fact Statement

1	Loan Amount (in Rs)	OD/ CC: DLOD Term Loan:
2	Loan Term (in months)	OD/ CC: DLOD Term Loan:
3	Interest Type (Fixed or Floating)	Floating, with Quarterly Interest Reset
4	(a) Interest chargeable (In case of Floating Rate Loans) (b) Interest chargeable (In case of Fixed Rate Loans)	(a) (i) OD CC : % (..... % + %) (ii) TL : % (..... % + %) (iii) DLOD : % (..... % + %) Interest rate is linked to External Benchmark Rate adopted by the Bank, i.e.....presently at % (b) ... % (Not applicable)
5	Date of reset of interest	OD/ CC: Interest rate will be reset on the first day of every calendar quarter after the date of setting up of limit. Term Loan: Reset will be on first EMI cycle date / First Equal monthly instalment date of every calendar quarter
6	Mode of communication of changes in interest rates	SMS/ Email / Letter / Whatsapp
7	Fee payable	
	(A) On application: Proposal Login Fee (Non-refundable) Processing Fee Renewal / Review Fee	Rs. 5,000/- Upto 2% of the facility amount Upto 2% of the facility amount
	During the term of the loan	
	OD/ CC:	
	Commitment Charges in case quarterly average utilisation in CCOD account is <60%	0.5% per annum on the difference between the actual utilisation and average utilisation of 60% for the quarter
	Over line charges (Utilisation above drawing power)	Upto 24% per annum of the limit overdrawn from the approved limit from the date of overline till the date of regularisation of limit
	Penal Charges on Temporary Overdrafts (TOD)	Upto 24% per annum on the utilised limit till the date of regularisation of limit.
	(B) Conversion Charges for switching from fixed to floating rates or vice versa	One time charge of 0.25% on sanction amount or Rs. 5000/- whichever is higher
	Penal Charges for non-submission of Stock Statement (for CC only) / covenant not complied / Renewal docs not submitted / Property or stock insurance not submitted	Upto 24% on the utilised limit till the conditions are complied
	Term Loan:	
Penal Charges for Non-Submission of property insurance / covenant not complied	Upto 24% on the principal outstanding till conditions are complied	
(C) On foreclosure Take Over / Pre-closure Charges (including part pre-closure)	Working capital: Upto 5% of the sanctioned amount Term Loan: (a) Full pre-closure : Upto 5% of principal outstanding (b) Part pre-closure: Upto 5% on the principal amount Pre-paid	

	(D)	Fee refundable if loan not sanctioned/disbursed	Nil
	(E)	Conversion charges for switching from floating to fixed interest and vice-versa	One time charge of 0.25% on loan principal outstanding or Rs. 5000/- whichever is higher
	(F)	Penal charges for delayed payments	Term Loan: Upto 36% per annum on overdue instalment due but not paid till overdue amount is regularised OD/ CC: Not applicable
8	EMI payable		Term Loan: DLOD (Dropline limit):
9	Details of security/collateral obtained		Primary:
			Collateral:
10	Date on which annual outstanding balance statement will be issued		28 th February of every year

SCHEDULE

Date :

Sr.No.	Title	Details	
A)	Borrower's Name		
B)	Business		
C)	Constitution of Borrower		
D)	Registered Office Address		
E)	Business Address		
F)	Guarantor Name and Address		
G)	Sanction letter no.and date		
H)	Penal Charges		
I)	Processing Charges		
J)	Security	Details of Primary Security :	
		Product Type	Security Details
		Details of Collateral Security :	
		Product Type	Security Details
		Personal / Corporate Guarantee of :-	
Sr.No.	Title (For Cash Credit)	Details	
A)	Facility Type		
B)	Amount		
C)	Tenure of Loan		
D)	Rate of Interest	Refer Key Fact Statement - Point 4 (a)	
E)	Reset Frequency	Quarterly	

Sr.No.	Title (For Overdraft)	Detail
A)	Facility Type	
B)	Amount	
C)	Tenure of Loan	
D)	Rate of Interest	Refer Key Fact Statement - Point 4 (a)
	Term Loan-1	
1	Repayment Starting Date	
2	Details of disbursement, wherever applicable	
3	EMI amount	
4	No of EMIs	
5	Date of commencement of EMI	
6	Due date of payment of first EMI	
7	Date of last EMI	
	Term Loan-2	
1	Repayment Starting Date	
2	Details of disbursement, wherever applicable	
3	EMI amount	
4	No of EMIs	
5	Date of commencement of EMI	
6	Due date of payment of first EMI	
7	Date of last EMI	
	Reset Frequency	Quarterly