

## Sample Loan Agreement - LOAN AGREEMENT

This Loan Agreement (hereinafter referred to as “**Agreement**”) is executed at the place and on the date mentioned in the Schedule by and between:

The borrower whose details are stated in Schedule [hereinafter referred to as the “**Borrower**” which term shall, unless repugnant to the context, be deemed to include the Co-Borrower(s), if any, as detailed in the Schedule hereto and include in case of: (a) a proprietorship firm, the proprietor(ess) (both in his/her personal capacity and as proprietor(ess) of the concern) and his/her heirs, legal representatives, executors, administrators, permitted assigns and successors), (b) a company or limited liability partnership, its successors and permitted assigns, (c) a partnership firm, each of the partners and survivor(s) of them and the partners from time to time (both in their personal capacity and as partners of the firm) and their respective heirs, legal representatives, executors, administrators, permitted assigns and successors of the firm, (d) in case trust, each of the present and future trustees and their respective heirs, legal representatives, executors, administrators, permitted assigns and successors of the trust, and (e) in case a society, each of the present and future members of the governing council and their respective heirs, legal representatives, executors, administrators, permitted assigns and successors of the society] of the **ONE PART**,

And

**UJJIVAN SMALL FINANCE BANK LTD.**, a company incorporated under the provisions of the Companies Act, 2013 and banking company within the meaning of the Banking Regulation Act, 1949 (CIN: L65110DL2016PLC302481 ) having its registered office at Plot No. 2364/8, Khampur Raya Village, Shadi Kampur, Main Patel Road, New Delhi – 110 008, with its head office at Grape Garden, No. 27, 3<sup>rd</sup> A Cross, 18<sup>th</sup> Main, Koramangala 6<sup>th</sup> Block, Bengaluru - 560 095 and operating through one of its branches, specified in Schedule (hereinafter referred to as the “**Bank**”, which expression shall include their respective heirs, representatives, successors, executors, administrators and assigns of the **OTHER PART**.

The Borrower and the Bank are hereinafter collectively referred to as “**Parties**” and individually as a “**Party**”.

### WHEREAS

- A) At the request of the Borrower as per the Application Form for the purpose detailed in Schedule (the “**Purpose**”), and on the basis of the statements and representations made by the Borrower and various documents submitted by the Borrower, the Bank has agreed to grant to the Borrower a loan for a maximum amount as detailed in Schedule (the “**Loan**”) upon the terms set forth in these presents and other Transaction Documents.
- B) In consideration of the Loan to be lent to the Borrower by the Bank, the Borrower hereby agrees to abide by the following terms and conditions as contained herein.

### NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

#### ARTICLE: 1 DEFINITIONS

- 1.1. The following definitions apply throughout this Agreement unless otherwise stated:

“**Additional Interest**” means and includes the interest that is levied by the Bank at the rate specified in Schedule: (a) on account of delay in payment of the EMI or PEMII or any other amounts due and payable by the Borrower to the Bank from the Due Date until payment is made to the Bank; or (b) the occurrence of any other Event of Default set out in Article 6 of this Agreement, from the date of occurrence of the Event of Default until the remedy of the same, and such Additional Interest shall be in addition to the applicable Interest

“**Applicable Law**” means any statute, law, regulation, ordinance, rule, judgement, order, decree, ruling, bye-law, approval of any Competent Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Competent Authority having jurisdiction over the matter in question, whether in effect as of the date of Agreement or at any time thereafter.

“**Application Form**” means, as the context may permit or require, the application letter submitted by the Borrower for availing of the Loan, together with all other information, particulars, clarifications, letters and undertakings and declarations, if any, furnished by the Borrower or any other persons from time to time in connection with the

Loan as required by the Bank.

**"Availability Period"** means the period/date as mentioned in the Schedule hereto, during/within which the Borrower may be allowed to make the first drawdown from the Loan, which may be extended or varied by the Bank from time to time.

**"Business Day"** means a day (other than Public Holiday) on which the Bank and banks are open for business in the location from where the Facility is sanctioned.

**"CERSAI"** means the Central Registry of Securitization Asset Reconstruction and Security Interest of India.

**"CIBIL"** means TransUnion CIBIL Limited.

**"Co-Borrower"** means and includes the person who, along with the borrower, shall be jointly and severally liable for repayment of all amount under the Loan and his/her/their obligation in relation to the Loan shall be concurrent with that of the borrower in all respects as if he/she/they himself/herself/themselves was/were the borrower and accordingly, the Co-Borrower shall regularly and punctually pay to the Bank the instalments as well as other dues payable under the Loan himself/herself/themselves.

**"Control"** (and the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person whether through the ownership of voting shares or by contract or otherwise. **"Disbursement"** means the disbursal of the Loan or a part of it.

**"Due Date"** means such date(s) on which any amount including principal, interest and/or charges in respect of the Loan is due and/or payable by the Borrower to the Bank in terms of the Transaction Documents and/or performance of any other obligation(s) is required to be complied with by the Borrower under the Transaction Documents.

**"Effective Date"** means the date on which the first Disbursement is availed by the Borrower out of the total amount of the Loan approved.

**"Electronic Clearing System"**, or **"ECS"** or **"NACH"**, shall be deemed to include transfer of funds electronically either through a message for transfer of funds sent electronically or through an image of an 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 Reserve Bank of India, participation in which has been consented to in writing by the Borrower for facilitating payment of EMIs.

**"Encumbrance"** means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (b) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (c) any adverse claim as to title, possession or use.

**"Enforcement Action"** means any action taken or proposed to be taken by the Bank, against the Borrower, or all or any part of the assets over which Security Interest has been created, for the purpose of

- a) enforcing or exercising all or any, of the rights or remedies of the Bank under or in respect of the Security Interest created under the Transaction Documents, including without limitation, the initiation of any non-judicial action or any action in any court or tribunal or before any administrative agency or government authority or to enforce such rights and remedies pursuant to any Applicable Law; and/or
- b) initiation of or participation in any process under the IBC; and/or
- c) adjudicating or seeking a judgment on a claim; and/or
- d) (i) preservation or protection of the Security Interest, including without limitation, the appointment of a receiver in respect of the assets of the Borrower, or (ii) enforcement in pursuance to an Event of Default; and/or
- e) Exercise of any other legal remedy under Applicable Law including the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

**"Equated Monthly Instalment"** or **"EMI"** means the amount of monthly payments required to be paid to the Bank in order to repay the Loan over the tenure of the Loan and includes both the principal amount of the Loan and interest thereon. If the Loan is payable in EMI, such EMI shall be calculated on the basis of monthly rests and the Bank shall be entitled to vary/modify the EMI (including increases in the amount of one or more Instalment(s) in the event of changes to the interest rate on the Loan.

**"Event(s) of Default"** shall refer to any event, or circumstance, act, omission or condition, which is or which amounts to non-compliance of any of the obligations by the Borrower or any other Obligor under any Transaction Document which would if applicable, with the expiry of any grace period, the giving of notice, the passage of time, the making of any determination under the Transaction Documents or the satisfaction of any applicable condition

(or any combination of any of the foregoing as may be applicable), be an Event of Default, including without limitation the events or circumstance specified as such in Article 6.

**"External Benchmark Lending Rate"** in relation to rate of Interest means the market determined reference rate used by the Bank in conformity with the guidelines of RBI to determine the interest rates on loans/credit facilities, which is subject to review by the Bank periodically. The prevailing External Benchmark Lending Rate is as mentioned in the Schedule hereunder.

**"Financial Statements"** means in relation to the Borrower(s), its/their audited consolidated financial statements for such period(s) provided to the Bank and/or as required by the Bank from time to time.

**"Financial Year"** means the financial year commencing on 1<sup>st</sup> April of a calendar year and ending on 31<sup>st</sup> March in the immediately succeeding calendar year.

**"Final Settlement Date"** shall mean the date on which all Outstandings have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Bank and a no-dues certificate is issued by the Bank.

**"Fixed Rate of Interest"** means the fixed rate of Interest applicable on the Loan as per the Schedule hereunder, which is subject to review by the Bank from time to time.

**"Floating Rate of Interest"** shall mean the sum of the MCLR or External Benchmark Lending Rate plus Spread applied by the Bank on the Loan as per the Schedule hereunder, which is subject to review by the Bank from time to time.

**"Guarantee"** means the irrevocable and unconditional guarantee (if any) in favour of the Bank issued or to be issued by the Guarantor(s) in a form and manner satisfactory to the Bank to secure the obligations of the Borrower under this Agreement.

**"Guarantor(s)"** means Person(s) (if any) who has/have guaranteed the due performance and repayment of the Loan by the Borrower and have stood as a surety/guarantor for the Loan as detailed in Schedule.

**"Governmental Approvals"** means, in respect of a transaction (including the transaction contemplated in this Agreement) any notice, consent, approval, authorization, waiver, permit, grant, concession, agreement, license, certificate, exemption, order or registration of, with or to any Governmental businesses, operations or financial condition of the Borrower or of any other relevant person who is party to any of the Transaction Documents.

**"Governmental Authority"** means any nation or government or any province, state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of India (including, without limitation, any rules, directives, regulations, guidelines and codes of conduct of the RBI) or any other jurisdiction, as applicable or any political subdivision thereof or any other applicable jurisdiction; any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange.

**"IBC"** shall mean the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations thereunder.

**"INR" or "Rupee" or "Rs."** means Indian Rupees being the lawful currency of India.

**"Indebtedness"** means any indebtedness whatsoever of the Borrower at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, credits, deposits, hire purchase and leasing).

**"Interest"** shall mean interest that is chargeable on the Loan and the other Outstandings at the Interest Rate.

**"Interest Rate"** shall have the meaning ascribed to the term in Clause 2.2 and 2.3.

**"Loan"** means the amount of the financial assistance as provided for the purpose as mentioned in the Sanction Letter and any other Outstandings thereunder.

**"Loan Account"** means the account maintained by the Bank which records the balance amount owed by the Borrower in reference to the Loan.

**"Material Adverse Effect"** means the effect or consequence of any event or circumstance which is or is likely to be: (a) adverse to the ability of the Borrower, any other Obligor or any other relevant person to perform or comply with any of their respective obligations under the Transaction Documents in accordance with their respective terms; or (b) prejudicial to any of the businesses, operations or financial condition of the Borrower, any other Obligor or of any other relevant person who is party to any of the Transaction Documents.

**"Marginal Cost of Funds Based Lending Rate" or "MCLR"** means the marginal cost of lending rate as determined and published by the Bank from time to time.

**"NEFT"** shall mean the National Electronic Fund Transfer.

**"Obligations" or "Outstandings"** shall mean all amounts payable to the Bank (or any of its representatives, agents or attorneys or assignees) by the Borrower and any other Obligor pursuant to the terms of the Transaction Documents, including without limitation:

- a) the principal of and interest on the Loan, and all other obligations and liabilities of the Borrower, including Additional Interest, commission, indemnities, expenses, costs, break costs (if any), and fees incurred under,

- arising out of or in connection with any Transaction Document, and any other monies whatsoever stipulated in or payable under this Agreement or the other Transaction Documents;
- b) any and all sums advanced by the Bank in order to preserve the Security created or purported to be created pursuant to a Transaction Document;
  - c) in the event of any proceeding for the collection or enforcement of the Obligations, after an Event of Default shall have occurred, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising any Security or of any exercise of the Bank of its right under the Transaction Documents, together with legal fees and court costs; and
  - d) any amount which becomes due in pursuance to an indemnity obligation, Additional Interest payment obligation or any other such similar payment requirements by any Obligor.

**"Obligors"** shall mean the Borrower, Co-Borrower(s), Guarantor(s) and any other Person providing Security and/or guarantee or indemnity in favour of the Bank in relation to the Loan.

**"Person"** means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality).

**"Pre Equated Monthly Instalment Interest"** or **"PEMII"** means Interest at the rate indicated in Schedule on the disbursed Loan amount from the relevant date of Disbursement to the date of commencement of EMI.

**"Principal Amount"** means the amount of the Loan originally granted/agreed to be granted by the Bank to the Borrower together with any Interest and charges, if any.

**"Prepayment"** means premature repayment (whether in part or in full) as per the terms and conditions laid down by the Bank in that behalf and in force at the time of repayment.

**"Security Cheques"** means the cheques drawn by the Borrower in favour of the Bank, for making payments of the Outstandings (including without limitation PEMII(s) and EMI(s)).

**"Purpose"** means the lawful purpose for which the Loan shall be granted/agreed to be granted and shall include inter alia, the purpose described in Schedule of this Agreement.

**"RBI"** shall mean the Reserve Bank of India.

**"Repayment"** means the repayment of the principal amount of Loan, Interest thereon, commitment and all other charges, premium, fees or other dues which are payable under this Agreement to the Bank by the Borrower.

**"RTGS"** shall mean Real Time Gross Settlement.

**"Sanction Letter"** means the letter issued by the Bank sanctioning the Loan along with the relevant particulars, terms and conditions mentioned in the same.

**"Secured Assets"** shall mean the assets over which Security Interest has been/shall be created under the terms of the Transaction Documents to secure the payment/repayment of the Outstandings under the Transaction Documents.

**"Security"** shall mean and include any Security Interest provided to the Bank as specified in Article 3 of this Agreement or as the Bank may require from time to time.

**"Security Interest"** shall mean a mortgage, charge, encumbrance, pledge, hypothecation, lien, security assignment or other security interest securing any obligation of any person or any other lien, agreement or arrangement (including any trust retention or escrow arrangements) having a similar effect.

**"Security Documents"** means the deed of hypothecation, deed of mortgage, memorandum of confirmation of deposit of title deeds or any other instrument or document as may be executed from time to time in relation to the Security, by any Obligor or any other person.

**"Spread"** shall mean the percentage or such other rate as may be set by the Bank in relation to the Interest Rate and communicated to the Borrower by the Bank.

**"Tax"** shall mean any goods and services tax, sales tax, customs and excise, value added tax and all other forms of direct and indirect tax levied and/or to be levied by a Governmental Authority together with any interest, penalties, surcharge, fines relating thereto, due payable, levied, imposed upon or claimed to be owed in India.

**"Transaction Documents"** includes all writings and other documents executed or entered into or to be executed or entered into, by the Borrower, any other Obligor or as the case may be, any other person including the Application Form, Sanction Letter, this Agreement, the Security Documents and all writings and other documents executed or entered into, or to be executed or entered into, by the Obligors or, as the case may be, any other person, in relation, or pertaining, to the Loan and each such Transaction Documents as amended from time to time.

**"Website"** or **"Official Website of the Bank"** means the website of the Bank, presently being [www.ujjivansfb.in](http://www.ujjivansfb.in).

## 1.2. Interpretation:

Unless the context otherwise requires:

- a) Any expression, which has not been defined in this Agreement but is defined in the General Clauses Act, 1897 shall have the same meaning thereof.

- b) The reference to masculine gender shall be deemed to include reference to feminine gender and vice versa. The meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined.
- c) The word “herein”, “hereto”, “hereunder” and the like mean and refer to this Agreement or any other document as a whole and not merely to the specific article, section, subsection, paragraph or clause in which the respective word appears.
- d) The words including and include shall be deemed to be followed by the words without limitation.
- e) References to Agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of this Agreement.
- f) The Application Form and the copies of the documents furnished by the Borrower and/or any other Obligor and the information(s) contained therein and the representations made by the Borrower and/or the any other Obligor, are inter-alia the basis of this Agreement. The Borrower declares that the statement(s) made in the Application Form are absolutely true and correct and nothing is false and no material particulars have been concealed there from. The Borrower declares that the copies of the documents furnished by him are true copies of their originals and that the originals are genuine documents. It is by these statements/documents and/or representations that Bank has agreed to enter into this Agreement.
- g) In the event of any disagreement between the Parties regarding the materiality or reasonableness of any matter including any event, fact, information, document, authorization, occurrence, circumstances, proceeding, act, omissions, claims, breach, default or otherwise in relation to this Agreement, the opinion of the Bank shall be final and binding on the Borrower and the other Obligors.

#### **ARTICLE: 2**

#### **LOAN, INTEREST, ETC.**

##### **2.1. Loan:**

- a) Relying upon the statements and representations made by the Borrower in the Application Form, the Bank hereby agrees to grant Loan to the Borrower during the Availability Period up to a maximum amount as set out in Schedule for the Purpose.
- b) Unless the Sanction Letter is unconditionally accepted by the Borrower within the time period specified therein, the Bank does not undertake any obligation to allow the Borrower to avail the Loan even if sanctioned.
- c) Unless specifically consented to by the Bank, the Loan shall be availed by the Borrower within the Availability Period.
- d) The Borrower hereby agrees to utilize the Loan only for the Purpose as described in Schedule.
- e) Once the Application Form submitted by the Borrower is accepted by the Bank, the Borrower shall not be entitled to cancel or revoke the Loan.
- f) The Bank reserves an unconditional right to cancel the Loan or any undrawn/unused/unavailed portion of the Loan, at any time after sanction or during the currency of the Loan, without notice of the Borrower and for any reason(s) whatsoever.

##### **2.2. Interest:**

- a) The Borrower shall be charged Interest at the Interest Rate specified in Schedule or at such other rate as may be notified by the Bank from time to time. During the tenor where Fixed Rate of Interest is applicable, the Interest Rate will be fixed and for the remaining tenor the Interest Rate shall be linked to MCLR or External Benchmark Lending Rate or such other Rate duly notified by the Bank in its branches, outlets, offices or Website. The term MCLR or External Benchmark Lending Rate is a tenure linked benchmark, arrived based on the corresponding tenure of a particular advance/facility. The actual lending rate shall be determined by adding the components of Spread to MCLR or External Benchmark Lending Rate (of appropriate tenure).
- b) Interest shall be payable by the Borrower, at such periodicity as mentioned in the Schedule, on the last Business Day of such period.
- c) The Parties hereby agree that the Interest on the Loan shall accrue in favour of the Bank from the date(s) of the transfer/payment advice(s)/cheque(s)/pay order(s)/ by the Bank, irrespective of the time taken for transit/collection/realization by the Borrower.
- d) In default of payment of Interest on the respective Due Date, the same shall be capitalised and added to the principal and shall be treated as an advance to the Borrower and the Bank shall be entitled to charge Interest at the Interest Rate on the debit balance capitalised as aforesaid, in addition to charging Additional Interest from the date of default to the date of actual payment.
- e) The Borrower shall reimburse or pay to the Bank such amount as may have been paid or payable by the Bank to any Government Authority, on account of any Tax levied on Interest on the Loan. The reimbursement shall

be made by the Borrower as and when called upon by the Bank.

**f) Interest Reset:**

- i) During the tenure of the Loan, the Bank shall have, at its discretion, the right to change/reset/revise the Interest Rate, including only the External Benchmark Lending Rate/MCLR (as the case be) or only Spread, at such periodicity, as per its policy and/or the guidelines issued by RBI or applicable laws or regulations, if any.
- ii) During tenure of the Loan, the Bank shall have the right to shift the basis of External Benchmark Lending Rate to any other permissible reference rate as per the guidelines of RBI or as per its policy.
- iii) In all such situations, the Bank shall intimate the Borrower such changes, through electronic media or print media or through display made in the Bank's outlets/branches/offices. Further, such changes shall be effected only prospectively.
- iv) The Borrower is aware and acknowledges that the repayments to be made shall automatically change by reason of change in any rates, taxes, charges, imposts, levies and monies whatsoever that are or may be levied on the repayments or the transaction contemplated under the Transaction Documents or are or may become payable by the Bank by virtue of the Transaction Documents. Such changes in repayments due to change in the rates, taxes, charges, imposts, levies and monies as stated above shall be effected only prospectively and the same shall automatically form part of the Loan.

**2.3. Computation of Interest and Expenses:**

- a) The Interest for the relevant Interest Period shall be calculated on the principal amount outstanding on the last date of the previous month on the basis of the Interest Rate mentioned in the Schedule and rounded off to the next rupee calculated on monthly rests, and shall be computed on the basis of a year of 365 (three hundred and sixty five) days.
- b) The Borrower confirms having perused and understood the Bank's method of calculating interest on reducing balance rate. The Borrower agrees and accepts that the Interest Rate is reasonable and represents genuine pre-estimate of the loss expected to be incurred by the Bank in the event of non-payment of any monies by the Borrower, and the Borrower hereby acknowledges the genuineness and reasonability of the same.
- c) The Borrower agrees that the determination of Interest by the Bank shall be final and conclusive and shall be binding upon the Borrower and a copy of the statement of accounts maintained by the Bank shall be conclusive proof and evidence of its liability.

**2.4. Pre-closure:**

- a) In the event of Pre-closure, the Interest on the Loan would be calculated up to the actual date of Pre-closure subject to the terms and conditions and pre-closure charges as detailed in the Schedule hereto.
- b) The PEMII, where applicable, payable before the commencement of the EMI shall be equal to the interest levied on the principal outstanding which will be computed on previous day of commencement of EMI.

**2.5. Prepayment of Loan:** The Bank may in its sole and absolute discretion and subject to the terms and conditions and prepayment charges as detailed in the Schedule hereto, or as the Bank may prescribe, permit prepayment of the Loan. In the event of the Bank permitting the Borrower to prepay the Loan, the Borrower undertakes and agrees to execute such documents as the Bank may require and abide by such amended/altered repayment schedule as specified by the Bank.

**2.6. Additional Interest:**

- a) In the event of default on the part of the Borrower in making payment of the EMI or PEMII or any other amount due and payable under the Transaction Documents, as and when the same is/are due to be paid, the Borrower shall pay to the Bank Additional Interest at the rate mentioned in the Schedule. Such Additional Interest shall be payable on and from the date of default to and including the date on which such delay/default is rectified. The Bank's right to claim such Additional Interest shall be without prejudice to the Bank's right to take any other action available to it under the terms of this Agreement or at law in respect of such event of default.
- b) On the occurrence of an Event of Default, the Borrower shall, without prejudice to the rights of the Bank to declare an Event of Default, pay on the outstanding Loan, Additional Interest, from the date of occurrence of the Event of Default till such time the Event of Default is cured.
- c) Any interest accruing under this Clause shall be immediately payable by the Borrower to the Bank and shall constitute the Outstandings till the payment thereof.
- d) The levy of Additional Interest under this Clause shall not prevent the Bank from declaring an Event of Default and shall not prejudice the exercise of any rights and remedies available to the Bank upon the occurrence of an Event of Default.
- e) The Borrower acknowledges and agrees that the Additional Interest is reasonable and represents the genuine pre-estimates of the loss incurred by the Bank in the event of non-payment by the Borrower. Further, the

Borrower confirms that the Loan provided under this Agreement is for a commercial transaction and the Borrower hereby waives any defence available under usury or other Applicable Laws relating to the charging of interest.

**2.7. Conditions precedent for Disbursement of Loan:**

- a) The obligation of the Bank to make any Disbursement under this Agreement shall be subject to the fulfilment of the following conditions:
  - i) The Borrower shall have furnished certified true copies of the relevant incorporation and constitutional documents (as applicable) and resolutions, including any certifications in relation to the same as may be required by the Bank from time to time, and the Borrower shall have carried out any amendments thereto for availing the Loan, if so required by the Bank.
  - ii) The Borrower shall have furnished all authorization documents as required by the Bank.
  - iii) The Borrower shall have obtained all the requisite approvals/permissions/NOCs from Governmental Authorities required for implementation of the purpose for which the Loan is availed.
  - iv) If the Loan is to be secured by Guarantee, the Borrower shall cause the Guarantor(s) to execute and hand over to the Bank an irrevocable and unconditional Guarantee in favour of the Bank in such sum as stipulated by the Bank.
  - v) The Borrower satisfying the Bank's KYC requirements.
  - vi) Execution of this Agreement and all other relevant Transaction Documents as required by the Bank, including all Security Documents, and creation of a valid Security Interest in favour of the Bank (the Security Interest to be got registered with the Registrar of Companies and CERSAI, as may be applicable, within the prescribed period).
  - vii) Furnishing of any documents/ information and fulfilment of any condition, as may be required by the Bank.
- b) In addition to the conditions precedent as specified in this Clause, the Borrower shall comply with such other conditions as specified in the Schedule hereunder, to the extent applicable.

**2.8. Disbursement:**

- a) The Borrower shall be permitted to drawdown from the Loan subject to the Borrower handing over to the Bank such documents, as may be applicable to the Loan and required by the Bank. The Loan may be disbursed either in a single tranche or in multiple tranches.
- b) The obligation of the Bank to make any disbursement/permitting to drawdown shall be subject to the Borrower furnishing evidence to the complete satisfaction of the Bank about the proposed utilization of the proceeds. The disbursement shall also be subject to fulfilment of conditions precedent and confirmation on all representations continuing to be true and correct.
- c) All disbursements shall be made by the Bank either to:
  - i) the Borrower's account; or
  - ii) a third party's account if so required by the Borrower, By way of transfer by RTGS/ NEFT.The Borrower hereby agrees and confirms that the date of such transfer by RTGS/ NEFT would be deemed to be the date of disbursement to the Borrower irrespective of the date on which the Disbursement may have been received by the Borrower or the relevant third party.
- d) The right of the Borrower to make drawals under the Loan shall cease on the expiry of the Availability Period, unless permitted by the Bank.
- e) The transaction expenses incurred by the Bank for the purpose of granting the Loan shall be adjusted by the Bank from the amount of the relevant Disbursement under the Loan.
- f) At the time of each Disbursement the Borrower undertakes and agrees to hand over to the Bank such security Cheques as stipulated by the Bank.
  - i) The Security Cheques handed over to the Bank shall be deemed to be an unconditional and irrevocable authority given by the Borrower to the Bank. The dishonour of the Security Cheques on first presentation shall constitute an Event of Default.
- g) The Borrower agrees that the decision of the Bank with regard to the disbursal of the Loan shall be final, conclusive and binding on the Borrower.

**2.9. Amortization of Loan:**

- a) The Borrower will amortize the Loan in Equated Monthly Instalments as stipulated in Schedule, subject to any other changes in such amortization as communicated later in writing by the Bank to the Borrower. The Due Date of payment of the first EMI shall be the corresponding day of the following month to the Due Date specified in Schedule.
- b) The repayment of the Obligations by the Borrower to the Bank under the Transaction Documents shall be

payable on the respective Due Dates in any of the following modes:

- i) Electronic Clearing System as notified by RBI;
- ii) Automated Clearing House, details whereof are mentioned in Schedule for a direct debit from the Borrower's account with the Bank.

Provided however, that:

- i) in case of overdue payment or in case of technical issues, the Bank may allow the repayment of the Loan by way of cash payment;
  - ii) in case of existence of cash credit/overdraft account, the Bank may allow the repayment of the Loan from secondary current account only;
  - iii) If business of the Borrower is carried out through a savings account and no current account or cash credit/overdraft account exists, the Bank may allow the repayment of the Loan from the savings account.
- c) Notwithstanding anything contained hereinabove the Bank shall have the right to, at any time and from time to time, review and/or reschedule the repayment terms of the Loan or of the outstanding amount thereof in such manner as the Bank may at its sole discretion decide. In such an event the Borrower shall follow the repayment Schedule as revised by the Bank for the amount outstanding at such time.
  - d) The Borrower shall pay the Outstandings without any demur, protest or default and without claiming any set-off or counterclaim 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 the Outstandings on the respective Due Dates.
  - e) Irrespective of the mode of payment / repayment selected by the Borrower in the Application Form, the Bank may, in its sole discretion, require the Borrower to adopt or switch to any alternate mode of payment and the Borrower shall comply with such request, without demur or delay.

**2.10. Joint and Several Liability:** Notwithstanding anything herein stated, the liability of the Borrower and the Obligors under the Transaction Documents to repay the Outstandings and to observe the terms and conditions of the Transaction Documents, shall be joint and several.

#### **ARTICLE: 3**

##### **SECURITY**

- 3.1. The Borrower agrees to create Security Interest in such form and manner detailed in Schedule and any additional security as may be required by the Bank from time to time to secure the repayment of the Outstandings. In the event Security furnished by the Borrower is found to be insufficient/incorrect in value, the Borrower shall be directed to furnish additional security as may be required by the Bank and the Bank may recall/ accelerate the repayment of the Outstandings with immediate effect.
- 3.2. The Borrower shall do, perform and execute such acts, deeds, matters and things as may be necessary either to perfect the Security Interest provided for or to carry out the intent of this Agreement.
- 3.3. All Security furnished by the Borrower to the Bank 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 Outstandings and shall remain continuing security to the Bank and the same shall be binding upon the Borrower. The Borrower shall not be discharged/released on account of any intermediate payment or settlement of accounts by the Borrower till the Final Settlement Date and the Bank gives release/discharge in respect of the Security in writing to the Borrower.
- 3.4. The Borrower agrees that the Bank shall have an exclusive charge over the Security created and that the Borrower shall not create any other Encumbrance on the Secured Assets in favour of any other person or body, except with the prior written consent of the Bank.
- 3.5. The Borrower agrees that the Security Interest agreed to be created under this Agreement and the liability of the Borrower shall not be affected, impaired or discharged by insolvency, liquidation, winding-up, merger, amalgamation, reconstruction, dissolution, nationalization, takeover of the management of the Borrower or any insolvency process being initiated under the IBC.

#### **ARTICLE: 4**

##### **COVENANTS**

The Borrower hereby expressly covenants as follows:

- 4.1. The Loan shall be governed by the terms herein contained as well as those embodied in the other Transaction Documents and the Borrower hereby undertakes to comply with and adhere to all terms thereof and the provisions of the Applicable Laws.
- 4.2. ... The Obligors shall execute all necessary documents, including but not limited to executing necessary instruments, undertakings, deeds, documents, writings, and other documents and make necessary filings with the relevant authorities to create and perfect the Security over the Secured Assets in favor of the Bank.
- 4.3. The Loan and each portion of the Loan shall be utilised only for the Purpose, and no portion of the Loan shall be



used for any illegal and/or antisocial and/or speculative purposes including but not limited to participation in stock markets/IPOs and/or purchase/investment in capital market. No portion of the Loan proceeds shall be used for business of chit fund or Nidhi Company or agricultural/plantation/real estate business, or construction of farm houses or trading in Transferable Development Rights (TDRs).

- 4.4. ... The Borrower shall submit to the Bank a certification, in such form, mode and manner stipulated by the Bank, regarding end use of the Loan. In addition to this, the Bank may, at its discretion, get the records of the Borrower verified through the auditor(s) of Borrower or any auditor of the Bank's choice to confirm end use of the Loan. The Bank shall have the right to take appropriate measures (including criminal action) against Borrower if such certification is found to be wrong.
- 4.5. ... The Borrower shall furnish to the Bank all such information, statements, particulars and estimates and reports as the Bank may require from time to time as to the compliance with the terms of this Agreement.
- 4.6. ... The Borrower shall notify the Bank forthwith upon change in employment, business or profession of the Borrower. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Bank informed about the financials of its business on a regular basis and also provide the Bank such information and/ or documents as may be required by the Bank from time to time;
- 4.7. ... The Borrower shall promptly replace the mandates, agreements and/or other documents executed for payment/repayment of the Outstandings and issue fresh mandates, agreements and/or other documents in lieu thereof to the satisfaction of the Bank in the event of any variation in the Due Date(s) or amount under the Loan or if the Bank is facing any difficulty / inconvenience / impediment for any reason whatsoever in issuing debit instructions or if required at any time by the Bank at its sole discretion.
- 4.8. ... The Borrower shall comply with the reporting requirements, as applicable, (including semi-annual compliance certificates, annual and semi-annual Financial Statements, notices of default, notices of material litigation, and such other information and such access to the Borrower's books, records, properties etc., as the Bank may reasonably require.
- 4.9. ... The Borrower shall submit to the Bank his/her/its financial statements as and when required by the Bank.
- 4.10... The Borrower shall maintain the Secured Assets in good order and condition and all necessary repairs, additions and improvements thereto will be made during the currency of the Loan and the Borrower shall ensure that the value of the Secured Assets does not diminish.
- 4.11... The Borrower shall duly and punctually comply with all the terms and conditions of holding the Secured Assets and all the rules, regulations, bye-laws, etc., of the concerned co-operative society, association, company or any other competent authority, and pay such maintenance and other charges for the upkeep of the Secured Assets as also any other dues, etc., as may be payable in respect of the Secured Assets and/or of the use thereof.
- 4.12... The Borrower shall promptly inform the Bank of any loss or damage to Secured Assets due to any act of God or damage or other risks against which the Secured Assets may not have been insured.
- 4.13... The Borrower shall respectively comply in all respects with Applicable Laws to which it may be subject. The Borrower shall file all tax returns and pay all duties and all other Taxes, levies and statutory dues promptly when due and payable and, to the extent any taxes are not due, shall have established reserves that are adequate for the payment of those taxes and statutory dues. The Bank shall not be responsible for the compliance of Tax obligations of the Borrower.
- 4.14... The Borrower shall allow any person authorized by the Bank to have free access to the Secured Assets and/or the business Unit of the Borrower for the purpose of inspection.
- 4.15... The Borrower shall 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 property of the Borrower in any manner.
- 4.16... If the Bank has stipulates so, the Borrower shall pay commitment charges at the rate specified in Schedule on the unutilised portion of the Loan.
- 4.17... The Borrower shall accept as conclusive proof of correctness of any sum claimed as due by the Borrower as per the statement of account made out by the Bank and signed by any duly authorised officer of the Bank, without production of any document/voucher/paper or as per statement generated by any mechanical, electronic device, etc.
- 4.18. The Borrower agrees and authorises the Bank to debit their account without notice, towards principal, Interest and/or other charges, expenses etc., due to the Bank under this Agreement to the extent of balance available in the said account and the said debit made as per the authority specifically given hereby and credit of such amount to the Loan Account, shall be treated as an acknowledgement by payment for the purpose of limitation. The Borrower shall maintain adequate books of records, correctly reflecting its financial position and operations, apart from submitting to the Bank at regular intervals such statements as may be prescribed by the Bank in terms of the instructions of RBI or as per the policy of the Bank.
- 4.19. The Borrower is aware and acknowledges that, if the Loan or the Borrower is eligible for any subsidy or incentive

at the instance of any State or Central Government or Authority, such subsidy/incentive granted is not gratuitous, and the such subsidy/incentive shall be available to the Borrower only if he/she/it is compliant of the underlying Rules/Regulations/Provisions governing such subsidy/incentive, apart from meeting the conditions and obligations envisaged thereunder. Further, the Borrower is aware and acknowledges that the Bank shall reckon such subsidy/incentive only in accordance with the underlying Rules/Regulations/Provisions governing such subsidy/incentive, and the Bank shall not undertake any obligation or liability with regard to such subsidy/incentive other than those are covered under the underlying Rules/Regulations/Provisions governing such subsidy/incentive. The Borrower is also aware that he/she/it shall not be eligible for subsidy, unless conduct of the Loan Account is satisfactory in the opinion of the Bank/the Authority which grants the subsidy. The Borrower also agrees to refund the subsidy/incentive, if any, received by him/her/it forthwith upon demand by the Bank, either to the Bank or to any Authority stipulated by the Bank. Any such amount not refunded shall automatically form part of the Outstandings...

- 4.20. The Borrower agrees that the Bank shall have an irrevocable and overriding lien on any monies which come into the possession of the Bank and/or its subsidiaries and/or affiliates etc., in any manner whatsoever, and the Bank shall be entitled to set-off and appropriate such monies/amounts towards the Outstandings or any other amounts that may be due from the Borrower (as a legal entity) to the Bank in any manner it may deem appropriate, in its sole and absolute discretion.
- 4.21... The Borrower agrees that if, in the opinion of the Bank, it is difficult for the Borrower to repay the Outstandings the Bank shall have the right to re-phase the schedule of Disbursements and/or repayment. Such revised schedule of Disbursement and/or repayment as decided by the Bank and informed to Borrower shall be binding on Borrower and shall be deemed to have been incorporated in this Agreement and the same shall not in any way absolve the Borrower or any other Obligor from their liability under this Agreement. The Borrower agrees and confirms that the said act of re-phasing shall be without prejudice to the rights of the Bank to demand and recover the entire Outstandings at any time.
- 4.22... The Borrower agrees that the payment, acknowledgement or undertaking made or given by them or any other Obligor shall be binding on all of them jointly or severally and each of them constitute the duly authorised agent and the payment (by any mode whatsoever) or acknowledgement or undertaking so made or given by any of them shall be binding on them jointly and severally, and be treated as part payment/acknowledgement for the purpose of limitation.
- 4.23... The Borrower shall promptly give written notice to the Bank of:
- a) any event likely to have substantial effect on the business or profit of the Borrower;
  - b) any material circumstances affecting the ability of the Borrower to repay the Loan in the manner stipulated hereunder;
  - c) any dispute which might arise between the Borrower and any Person or any governmental body or authority relating to or concerning the Secured Assets;
  - d) any distress or execution being levied against the Secured Assets;
  - e) any notice received by the Borrower or any of the other Obligors pursuant to the provisions of the IBC or the filing of an application for initiation of insolvency process under the IBC in relation to an Obligor, which intimation shall in no event be later than 1 (one) day from the date of gaining knowledge thereof. The Borrower further undertakes to immediately forward a copy of any notice and any other communication received by it or any of the other Obligors in this regard.
- 4.24... The Borrower agrees that the Loan is transferable to any of the branches of the Bank or other institution.
- 4.25... The Borrower further covenants with the Bank that unless the Bank otherwise previously approves in writing, the Borrower shall not:
- a) enter into any agreement or arrangement with any Person, institution or local or Government body (i) for the use, occupation or disposal of the immoveable properties forming part of the Security or any part thereof (ii) in respect of any of the Borrower's assets such that the same may have a Material Adverse Effect on the Loan;
  - b) stand as surety for anybody or guarantee the repayment of any loan or the purchase price of any asset;
  - c) borrow from any Person or charge any property till the Final Settlement Date;
  - d) Take any action which makes the borrowing of the Loan illegal.
- 4.26... **Insurance:**
- a) **Insurance for Secured Assets:**  
The Borrower shall, until the full repayment of the Outstandings, fully insure, and keep the Secured Assets and all other properties over which the Security is created in favour of the Bank so insured against all comprehensive risks and assign the benefits of such policy/ies with the name of the Bank appropriately endorsed and recorded as 'Assignee' or 'Loss Payee' in such insurance policy/ies, 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. The Borrower shall, until the full repayment of the Outstandings ensure that the said insurance policy is valid, subsisting and operative. The entire premium of the insurance policy will be borne by the Borrower. If the Borrower fails to pay the insurance premium, the Bank shall have the right to deduct the insurance premium by netting-off the Loan at the time of disbursement.

**b) Life Insurance**

If specifically requested by the Borrower, the Bank would facilitate the Borrower, through the insurer identified by the Bank, to obtain a life insurance cover, in the event the Borrower is:

- i) an individual, in the name of the Borrower;
- ii) a proprietorship, in the name of the proprietor;
- iii) a partnership firm, the partner having the larger share (and in case a partnership with partners having equal share, any one of the partners);
- iv) a trust, in the name of the managing trustee;
- v) a society, in the name of the key office bearer;
- vi) A private limited company or LLP, the main promoter/director/partner having the largest shareholding (and in case a company or LLP with promoter/director/partner having equal shareholding, the key operating promoter/director/partner).

Such life insurance coverage, if opted by the Borrower in the above manner voluntarily, shall be for a term equal to the tenure of the Loan rounded off to the next full year.

The Borrower is aware and acknowledges that such life insurance coverage shall be available only if the Borrower specifically opts therefor and the applicable insurance premium should be paid by the Borrower, and that the said policy/ies shall be governed by the guidelines of the concerned insurer, including in the matter of settlement of claim.

- c) **Insurance for business unit being financed:** The Borrower shall, if so required by the Bank, insure the business unit in such sum and manner as stipulated by the Bank.
- d) Nothing contained herein shall cast an obligation on the Bank to insure the above mentioned assets or to renew the underlying policy/ies. The Borrower shall take and cause to be taken all steps to get the same insured and to get such policy/ies renewed from time to time. The Bank reserves the right (but not bound) to pay the premium on behalf of the Borrower in case of Borrower's failure and get such amounts reimbursed by the Borrower.
- e) The Bank shall have the right to receive and adjust any payment that it may receive in connection with any insurance policy / policies against the Loan and alter the repayment schedule in any manner as it may deem fit notwithstanding anything to the contrary contained in this Agreement or any other document or paper.

4.27... The Borrower shall furnish to the Bank any other information that the Bank may require in pursuance to the requirement under the IBC.

4.28... The Borrower shall submit a list of all its operational creditors.

4.29... The Borrower shall also submit a copy of all its financial indebtedness related filings made with the information utilities pursuant to the provisions of the IBC, as and when applicable.

4.30... The Borrower shall co-operate, enter into necessary documents and take all necessary actions that may be required by the Bank in pursuance to adequate compliance under the IBC.

4.31... In addition to the covenants as specified in this Clause, the Borrower shall comply with such other covenants as specified in the Schedule hereunder, to the extent applicable.

**ARTICLE: 5**

**REPRESENTATIONS AND WARRANTIES**

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

- a) The Borrower has the competence and power to execute the Transaction Documents and has taken the necessary approvals/ authorisations in relation to the execution of the Transaction Documents, which approvals/ authorisations will remain valid and subsisting during the tenure of the Loan.
- b) The Borrower has the power to own its assets and carry on the Business as it is being conducted.
- c) The Borrower has absolute clear and marketable title over the Secured Assets, has exercised due care and caution (including, where necessary, obtaining of advice of tax / legal / accounting / financial / other professionals) and that the Secured Assets are absolutely unencumbered and free from any liability whatsoever.
- d) All approvals required from Governmental Authority or any other persons for or in connection with the execution, validity and performance of the Transaction Documents by the Obligor, including availing of the Loan and for the creation of the Security by the Obligor have been obtained and are in full force and effect and there is no breach of any Applicable Law by the Obligor.

- e) The Borrower shall not undertake any amendment to its constitutional documents without the prior written permission of the Bank.
- f) No Event of Default or Material Adverse Change has occurred or is subsisting.
- g) The execution and performance by the Obligor of the Transaction Documents to which they are a party are not in conflict with or result in any violation or breach of or default under any provision of any Applicable Law or its constitutional documents.
- h) None of the Obligor is in breach of any material agreement to which it is a party including without limitation any agreement entered into with a bank/financial institution/lender. The term material agreement being one which could, in the opinion of the Bank, prejudice any of the rights of the Bank under any Transaction Documents.
- i) The Borrower confirms that there are no proceedings (in any form) or investigation pending or threatened, by or against the Borrower which might have a Material Adverse Effect.
- j) No suit, litigation, proceeding, investigation, corporate action, creditor's process etc. by an authority or any other person is ongoing or pending or threatened against the Borrower or in respect of his/her/its assets.
- k) The Borrower is not served with any notice for breach or infringement of any law. Except to the extent disclosed to the Bank, no civil or criminal (including, but not limited to, any insolvency or bankruptcy) proceedings is/are initiated or pending or threatened against the Borrower or his/her/its assets, including in relation to the Security.
- l) The Borrower and/or its key persons is/are not a defaulter/wilful defaulter or facing any proceedings for declaring as defaulter/wilful defaulter and if any lender initiates or threatens any action for declaring him/her as wilful defaulter the Bank shall have the right to take appropriate proceedings against him/her/it. In the event a director/partner/member/trustee of the Borrower is identified as wilful defaulter, the Borrower shall take expeditious and effective steps for removal of such person from the Borrower.
- m) No event, circumstance or situation has occurred, which might affect the Borrower or the Bank's right towards the Secured Assets or hinder the enforcement of the Security and no Material Adverse Effect has occurred.
- n) Except to the extent disclosed to the Bank in writing the Borrower and its key person(s) is/are not a Director or relative of a Director or Senior Official of the Bank or any other bank and no Director or Employee of the Bank or any other bank or their relative have any substantial interest in the activities carried out by the Borrower.
- o) The Borrower shall not, during subsistence of the Loan, induct or appoint in his/her/its business any person who is a Director or Employee of the Bank or their relative.
- p) The Security 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 or by any alignment, widening or construction of road under any scheme of the Central / State Government or of any Corporation, Municipal Committee, Gram Panchayat etc.
- q) The Borrower has paid and will pay when due, all public demands such as taxes and all the other 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.
- r)
  - i) To the extent applicable, the availing of the Loan and exercise of rights and performance of obligations under this Agreement or any other Transaction Document shall constitute, private and commercial acts done and performed for private and commercial purposes.
  - ii) The Borrower is not / shall not be entitled to and shall not claim immunity for itself or its assets and properties from suit, execution, attachment or other legal process in any proceedings in relation to this Agreement and other Transaction Documents.
- (i) No proceedings under the IBC have been initiated in relation to the Borrower and no notice under IBC has been received by the Borrower.

- 5.2. In addition to the representations and warranties as specified in Clause 5.1 above, the Borrower provides such other representations and warranties as specified in the Schedule hereunder, to the extent applicable.
- 5.3. 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 Outstandings have been paid in full, as if made with reference to the facts and circumstances existing on such day.

#### **ARTICLE: 6**

##### **EVENTS OF DEFAULT**

- 6.1. **Payment of Dues:** If any payment under the Transaction Document (including but not limited to PEMII & EMI) is not paid on the relevant Due Date thereof or where any PDC/ECS is not renewed before the relevant Due Date or

if any payment made by the Borrower to the Bank falls short of the payment required to be made by the Borrower with respect to the amount due from the Borrower to the Bank.

- 6.2. **Performance of Covenants:** (a) If the Borrower or any other Obligor fails to perform and/or observe any covenant and/or condition and/or warranties to be performed or observed by it under any Transaction Document and (b) Non-satisfaction of a Conditions Precedent or any other conditions that may be prescribed under the Transaction Documents.
- 6.3. **Supply of Misleading Information:** If any information given by the Borrower and/or any other Obligor in the Application Form or Transaction Document or any other document or otherwise is found to be misleading or incorrect.
- 6.4. **Failure to furnish information/documents:** If the Borrower and/or any other Obligor fail to furnish any information or documents as required by the Bank.
- 6.5. **Failure to inform event of Default:** If the Borrower or any other Obligor fails to inform the Bank of the happening of any Event of Default or any event which after the notice or lapse of time or both would become an Event of Default.
- 6.6. **Non-delivery of cheques:** If the Borrower fails to deliver PDC/ECS in accordance with the terms of the Transaction Documents or as and when demanded by the Bank.
- 6.7. **Cross Default:** If the Borrower and/or any other Obligor makes a default in the performance of any of the terms and conditions of any other agreement or arrangement with the Bank or its group companies or subsidiaries or affiliates or any other bank or any non-banking financial company/ housing finance company or any other lender/creditors.
- 6.8. **Proceedings or compromise with creditors:** (a) If any litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency is started or threatened against the Borrower or if the Borrower makes any compromise with its creditors or if a winding-up petition against the Borrower has been filed (as applicable) and the same is not vacated, stayed or abated within 30 (Thirty) days from the date of first hearing or admittance, whichever is early, (b) If any litigation or proceedings (including arbitration or conciliation proceedings) is initiated against or orders or decrees are passed against or notice are received by an Obligor, and/or (c) Any litigation, suit, proceeding etc. is initiated, filed, applied or threatened against an Obligor, including without limitation by any lender, bank or financial institution, and including without limitation for the winding-up, liquidation and/or insolvency of an Obligor or the appointment of a judicial manager or interim or other resolution professional of any of the Obligors and/or initiation, filing, application or threat of analogous proceeding against any of the Obligors in any jurisdiction.
- 6.9. **Default in creation of Security or Security in jeopardy:** (a) Default by the Borrower and/or other Obligor, as may be applicable, in creation of Security Interest to the satisfaction of the Bank within the period stipulated in this Agreement/Sanction Letter or such other period as may be extended by the Bank or if in the opinion of the Bank, a secured asset is in jeopardy, under threat or ceases to have effect, (b) If any Security or Guarantee to the Loan or underlying the Loan becomes unenforceable or infructuous or is challenged by any person, and/or (c) If the Obligors do any act which may affect the Security or the value of such Security.
- 6.10. **Any other event/circumstances:** If the Borrower and/or any other Obligor commits any act or omission and/or there exists any other event or circumstance(s) which, in the sole opinion of the Bank, prejudices or endangers the interest of the Bank or any Security Interest created in favor of the Bank.
- 6.11. Such other events as specified in the Schedule hereunder and/or such other events as the Bank may specify from time to time.

#### **ARTICLE: 7**

##### **WAIVER**

No delay in exercising or omitting to exercise any right, power or remedy accruing to the Bank shall impair any right, power, remedy of the Bank nor shall be construed to be a waiver thereof or any acquiescence of such default. No action or inaction of the Bank in respect of any default or acquiescence of any default affect or impair any right, power or remedy of the Bank in respect of any other default. The rights and remedies of the Bank provided herein and in the Transaction Documents are cumulative and in addition to any rights and remedies provided by law which the Bank shall be entitled, but without being bound, to exercise at its absolute discretion.

#### **ARTICLE: 8**

##### **INSPECTION**

The Borrower shall permit the Bank or persons authorized by the Bank to inspect and take copies of all books of accounts and other records maintained by the Borrower and/or by the Bank in respect of the Loan.

#### **ARTICLE: 9**

##### **ASSIGNMENT**

- 9.1 The Bank shall be entitled to assign or transfer the rights and/or obligations under this Agreement to any person

of the Bank's choice in whole or in part and in such manner and on such terms and conditions as the Bank may decide. Any such assignment or transfer shall conclusively bind the Borrower and all other persons. However, the Borrower shall not be entitled to transfer or assign any of its rights and obligations under this Agreement.

- 9.2 The Borrower hereby expressly and unconditionally agree that notwithstanding anything to the contrary contained in any of the Transaction Documents, during the subsistence of the Loan, the Bank shall have the liberty to shift, at its discretion, without notice to the Borrower, from time to time a part or portion of the outstanding in the limit/s of the Loan (hereinafter referred to as the "**Participation**") to one or more scheduled commercial banks (hereinafter referred to as the "**Participating Bank/s**") and the Participation shall be governed by the terms of the Uniform Code Governing Inter Bank Participations, 1988 which the Borrower has read and understood, and all amendments thereto, from time to time. The Participation shall not affect the rights and obligations, inter se, the Borrower and the Bank in respect of the Loan, in any manner whatsoever. Such Participation shall be available to the Bank, for and in respect of all additional/ further limits under the Loan, without any confirmation/consent of or any reference to the Borrower in that behalf. The Borrower shall not have and shall not claim any privity of contract with any such Participating Banks under the Participation and the Bank shall and shall continue to represent the Participating Banks in all respects and for all matters arising out of/relating to the Participation.

#### **ARTICLE: 10**

##### **APPROPRIATION OF PAYMENTS**

- 10.1 The Borrower agrees and undertakes that notwithstanding anything contained herein or in any other documents or instructions in writing by the Borrower, the repayment made by the Borrower or amount realised/received/recovered by the Bank towards repayment of the Loan shall be appropriated at the absolute discretion of the Bank as under:
- a) Firstly towards costs, charges, expenses, incidental charges and other moneys that may have been expended by the Bank in connection with the recovery;
  - b) Secondly towards Additional Interest;
  - c) Thereafter towards prepayment charges and fees;
  - d) Thereafter towards PEMII/EMI/interest over the Loan in case the Loan is a roll over loan or continuing in nature;
  - e) Thereafter towards principal amount of the Loan.
- 10.2 Notwithstanding the above, any amount paid to the Bank may be appropriated by the Bank towards the amounts due from the Borrower (including Outstandings), in the manner that the Bank deems fit, at its absolute discretion.

#### **ARTICLE: 11**

##### **COST AND EXPENSES**

The Borrower undertakes to pay, forthwith on demand to the Bank all costs and expenses (including charges as mentioned in Schedule, all stamp duties, legislation fees or other taxes/levies, in respect of the Loan and/or the Transaction Documents and/or any penalty/ies that may be imposed, legal costs spent on legal counsel/s etc.) on a full indemnity basis incurred and/or to be incurred by the Bank or its group company, affiliates, subsidiaries etc. or any other any person on behalf of the Bank in relation to the Loan and the Transaction Documents. If the Borrower fails to pay the same, the Bank will make such payments, in which event such amounts paid by the Bank will form part of the principal amount of the Loan disbursed.

#### **ARTICLE: 12**

##### **NOTICE**

- 12.1. Any notice or request or communication to be given or made by a party to the other shall be in writing and shall be sent to the concerned party(s) at the address mentioned/specified in Schedule hereto.
- 12.2. That the notice/request/communication sent by the Borrower shall be vide pre-paid registered AD post/speed post and sent to both the above mentioned addresses and shall be deemed to have been received by the Bank, when it shall have actually been received by the Bank at both the addresses.
- 12.3. That the notice/request/communication sent by the Bank may be sent in any manner that the Bank may so deem fit and proper (in its sole and absolute discretion) and the same shall be deemed to have been received by the Borrower:-
- a) if given by post on the expiration of 2 (two) days after the same shall have been delivered to the post Office and for proving the service it shall be sufficient to show that the envelope containing the notice was properly addressed and posted,
  - b) And if delivered personally, when left at the address of the Borrower as aforesaid, and a certificate by an Officer of the Bank who sent such notice or communication that the same was so given or made shall be final and conclusive.

#### **ARTICLE: 13**

##### **INDEMNIFICATION**

The Borrower undertakes to indemnify and keep the Bank, its officers, employees, authorized representatives, directors and Affiliates (each, an "**Indemnified Party**") fully indemnified and harmless from and against all the consequences of breach of any of the terms, conditions, statements, undertakings, representations and warranties of the Borrower, whether in this Agreement or in any other document, 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 any Indemnified Party.

#### **ARTICLE: 14**

##### **DISCLOSURE OF INFORMATION**

- 14.1 During subsistence of Borrower's liability under the Loan, the Bank shall have unfettered rights to access the repository of Credit Information Companies any number of times to ascertain/check the financial discipline and/or credit score of the Borrower, and insist the Borrower to take remedial measures to perfect the lacunae, if any, observed.
- 14.2 The Borrower hereby agrees and authorizes the Bank to disclose, from time to time, any information and data relating to the Borrower (including personal sensitive data or information and any information that requires a consent under the Information Technology Act, 2000/2008, the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and/or any other statute) and/or the Loan and/or the defaults (if any), in or outside India, to: (a) any group entity of the Bank or any of their employees, agents, representatives etc.; (b) third parties engaged by the Bank or any of its group entities for purposes such as marketing of services and products; (c) any rating agency, insurer or insurance broker of, or direct or indirect provider of credit protection to the Bank or any group entity; (d) any of the service providers or professional advisers of a group entity with the rights to further share it with their sub-contractors in any jurisdiction; (e) any credit bureau, database/databanks, corporate, banks, financial institutions etc.; (f) any authority or other entity as required by law or any authority; (g) any other person to (or through) whom the Bank assigns or transfers or novates (or may potentially assign or transfer or novate) all or any of its rights and obligations under the Transaction Documents/Loan; (h) Credit Information Companies; (i) Reserve Bank of India; (j) Income Tax authorities, Credit Rating Agencies (for the purpose of credit reference checks) or any other Government or any other regulatory Authorities/Bodies/ Departments/ as and when so demanded; and/or (k) any court or judicial, statutory or regulatory authority/tribunal/arbitrary pursuant to an order/direction to this effect, as and when required. The Borrower agrees and acknowledges that the above persons may use and process the information and data disclosed by the Bank in the manner as deemed fit by them.
- 14.3 The Borrower authorizes the Bank, without any notice to the Borrower, to share and disclose the information relating to the Loan to any credit bureau, financial institution or any other authority for proper verification and other administrative services.
- 14.4 The Borrower hereby agrees as a pre-condition of the Loan given to the Borrower by the Bank that in case the Borrower commits default in the payment/repayment of the Outstanding Amounts on due date/s, the Bank and/or RBI will have an un-qualified right to disclose or publish the name/s of the Borrower/s or the name/s of its partner/s or directors or the name/s of the guarantor/s as defaulter/s in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit including the photographs of the Borrower, Guarantor or any of their directors, partners, members or personnel.
- 14.5 The Borrower undertakes that the information and data furnished by him to the Bank are true and correct. The Borrower further undertakes that:
- a) CIBIL, information utility 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) CIBIL, information utility 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.
- 14.6 The Borrower hereby gives specific consent to the Bank for disclosing/submitting the 'financial information' as defined in Section 3 (13) of the Insolvency and Bankruptcy Code, 2016 ('**Code**') read with the relevant Regulations/Rules framed under the Code, as amended and in force from time to time and as specified there under from time to time, in respect of the Credit/Financial facilities availed from the Bank, from time to time, to any 'Information Utility' ('**IU**') as defined in Section 3 (21) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by Reserve Bank of India to the Banks from time to time and hereby specifically agree to promptly authenticate the 'financial information submitted by the Bank as and when requested by the concerned 'IU'.

#### **ARTICLE: 15**

#### **REMEDIES OF THE BANK**

- 15.1 On the occurrence of an Event of Default, the Bank, by a written notice to the Borrower, may declare the Outstandings and any other amounts which may be payable by the Borrower under any other agreements, documents subsisting between the Borrower and the Bank. Further, the Security created under the Transaction Documents as well as any other securities in relation to any other loan shall become enforceable, notwithstanding anything to the contrary in the Transaction Documents or any other agreement/s or documents.
- 15.2 On the happening of any Event of Default, the defaulted amount shall carry Additional Interest, computed from the relevant Due Date and shall be compounded on monthly basis.
- 15.3 All reasonable costs incurred by Bank after an Event of Default has occurred in connection with:
  - a) Preservation of the properties (whether now or hereafter existing); or
  - b) Collection of Outstandings due under the Transaction Documents; May be charged to the Borrower and reimbursed, as the Bank shall specify.
- 15.4 The Bank may issue any certificate as regards payment of any amounts paid by the Borrower to the Bank in terms of the Transaction Documents only if the Borrower has paid all Outstandings and other amounts due under the Transaction Documents to the Bank and the Borrower has complied with all the terms of the Transaction Documents.
- 15.5 On the occurrence of an Event of Default, the Bank may in its sole and absolute discretion be entitled to present and appropriate the proceeds of all the PDCs/ECS given/handed over by the Borrower to the Bank under this Agreement/Loan, for all such times that the Outstandings are repaid to the complete satisfaction of the Bank.
- 15.6 Upon occurrence of an Event of Default the Bank may exercise all rights of enforcement or otherwise with respect to the Security in accordance with the Transaction Documents and any other legal remedy under Applicable Laws, including without limitation the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the “**SARFAESI Act**”) and IBC, in equity, or otherwise.
- 15.7 Without prejudice to this, the Bank shall have the irrevocable and absolute rights, without notice to the Borrower, to prematurely or partially close any deposit account held in the name of the Borrower or any Obligor, either singly or in joint names, either in full or in part, for appropriating the proceeds towards the Outstandings or any portion thereof.

#### **ARTICLE: 16**

##### **DISPUTE RESOLUTION**

The Parties hereto expressly agree that all disputes arising out of and/or relating to the Loan or any other relevant document shall be subject to the exclusive jurisdiction of the court/tribunal of the city/place in which the branch of the Bank from where the disbursement has been made is situated and that, accordingly, any legal action, suit or proceedings arising out of or in connection with this Agreement may be brought in those courts/tribunals of competent jurisdiction, provided that the Bank shall be entitled to pursue the same in any other court of competent jurisdiction at any other place and the Borrower irrevocably submits to and accept the jurisdiction of those courts/tribunals. The Transaction documents shall be governed by and construed in accordance with Indian Law.

#### **ARTICLE: 17**

##### **SURVIVAL**

The provisions/clauses of this Agreement that by their nature and context (including but not limited to the provisions/clauses for arbitration, jurisdiction, payment of interest, additional interest, liability of the Borrower and their covenants, representation and warranties etc.) are intended to survive the performances, hereof, shall so survive the completion and termination of this Agreement.

#### **ARTICLE: 18**

##### **SEVERABILITY AND ENTIRE AGREEMENT**

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of this Agreement or Agreement or affect such provision in any other jurisdiction. This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and shall include any annexures, recitals, schedules or exhibits annexed hereto.

#### **ARTICLE: 19**

##### **VERNACULAR LANGUAGE**

The Borrower acknowledges that it has been informed about the availability of this Agreement in vernacular for reference purposes and the Borrower confirms having read and understood and caused to be read and understood the terms and conditions of this Agreement by referring to the Agreement in vernacular.

#### **ARTICLE: 20**

##### **DECLARATION**

- 20.1 The Borrower represents and confirms that it has read and understood the terms and conditions of this



Agreement/been read out and explained the entire of the present Agreement and the Schedules including the details given in the Schedules (which have been duly filled in at the time of execution).

- 20.2 The Borrower hereby certifies that the particulars furnished herein are true and correct to the best of his/her/its knowledge and that no information has been withheld/suppressed.
- 20.3 The Borrower understands that the sanction of the loan/credit facility is at the sole discretion of the Bank upon fulfillment of the terms and conditions as required by the Bank. The Borrower declares that he has neither taken nor will take loan from any other bank or lender for the purpose as stated in the application form without permission from the Bank.
- 20.4 The Bank shall have the right to retain or to destroy the photograph, PDCs and other documents submitted by the Borrower after closure of the Loan.

#### SCHEDULE

Place of Execution of the Loan Agreement	
Date of Execution of the Loan Agreement	

#### **Details of the Borrower**

<b>If the Borrower is an Individual:</b>	
Name:	
Age (Years):	
Father's/Spouse's Name:	
Permanent Address:	
Address for Communication:	
E-mail Id of the Borrower	
Contact Number of the Borrower	
<b>If the Borrower is a Sole Proprietorship Firm:</b>	
Name of the Firm:	
Name of the Sole Proprietor:	
Permanent Address:	
Address for Communication:	
E-mail Id of the Borrower	
Contact Number of the Borrower	
<b>If the Borrower is a Partnership:</b>	
Name of the Partnership Firm:	
Names of all Partners:	
Address of the principal place of business:	
Address for Communication:	

E-mail Id of the Borrower	
Contact Number of the Borrower	
If the Borrower is a <b>Limited Liability Partnership</b> :	
Name of the LLP:	
Address of the registered office:	
Address for Communication:	
LLP Number:	
Statute under which the Borrower is incorporated:	Limited Liability Partnership Act, 2008
E-mail Id of the Borrower	
Contact Number of the Borrower	
If the Borrower is a <b>One Person Company</b>	
Name of the Company:	
Address of the registered office:	
Address for Communication:	
Corporate Identification Number:	
Name of the Member:	
Statute under which the Borrower is incorporated:	The Companies Act, 2013
E-mail Id of the Borrower	
Contact Number of the Borrower	
If the Borrower is a <b>Company</b>	
Name of the Company:	
Address of registered office:	

Address for Communication:	
Corporate Identity Number:	
Statute under which the Borrower is incorporated:	<input type="radio"/> Companies Act, 1956 <input type="radio"/> Companies Act, 2013
E-mail Id of the Borrower	
Contact Number of the Borrower	
If the Borrower is a <b>Society</b>	
Name of the Society:	
Address of registered office:	
Address for Communication:	
Registered with (Authority):	
Statute under which the Borrower is incorporated:	
E-mail Id of the Borrower	
Contact Number of the Borrower	
If the Borrower is a <b>Trust</b>	
Name of the Trust:	
Address of registered office:	
Address for Communication:	
Registered with (Authority):	
Statute under which the Borrower is incorporated:	

E-mail Id of the Borrower	
Contact Number of the Borrower	

**Details of the Co-Borrower(s) and Guarantor(s)**

1)	Name of the Co-Borrower No: 1	
	Father's/Husband's Name	
	Age (Years)	
	Residential Address	
	Address for Communication	
	Contact Number	
	e-Mail Id	
2)	Name of the Co-Borrower No: 2	
	Father's/Husband's Name	
	Age (Years)	
	Residential Address	
	Address for Communication	
	Contact Number	
	e-Mail Id	
3)	Name of the Co-Borrower No: 3	
	Father's/Husband's Name	
	Age (Years)	
	Residential Address	
	Address for Communication	
	Contact Number	
	e-Mail Id	
4)	Name of the Co-Borrower No: 4	
	Father's/Husband's Name	
	Age (Years)	
	Residential Address	

	Address for Communication	
	Contact Number	
	e-Mail Id	
5)	Name of the Guarantor No: 1	
	Father's/Husband's Name	
	Age (Years)	
	Residential Address	
	Address for Communication	
	Contact Number	
	e-Mail Id	
6)	Name of the Guarantor No: 2	
	Father's/Husband's Name	
	Age (Years)	
	Residential Address	
	Address for Communication	
	Contact Number	

	e-Mail Id	
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#### Details of Loan

1)	Name and Address of Branch of the Bank	
2)	The Bank's Sanction Letter Date	
3)	The Bank's Sanction Letter Reference Number	
4)	Type of the Loan	
5)	Amount of Loan (INR)	
6)	Purpose of the Loan	
7)	Tenure of the Loan (Months)	
8)	Type of Interest	
9)	Rate of Interest	
10)	Availability Period (Months)	
11)	Period within which the Loan to be drawn fully	
12)	Mode of Repayment	
13)	Frequency of Repayment	
14)	Number of Instalments for Repayment	
15)	EMI Amount (INR)	
16)	Date of Commencement of EMI	

17)	Additional Interest (%) p. a.													
18)	Details of Immovable Security	<table border="1"> <tr> <td>Name of Property Owner</td> <td></td> </tr> <tr> <td>Property Type</td> <td></td> </tr> <tr> <td>Address of Property</td> <td></td> </tr> <tr> <td>Mortgage Type</td> <td> <input type="radio"/> Mortgage by Deposit of Title Deeds  <input type="radio"/> Simple Mortgage </td> </tr> <tr> <td>Ranking of Charge</td> <td>Second Ranking Exclusive Charge</td> </tr> </table>	Name of Property Owner		Property Type		Address of Property		Mortgage Type	<input type="radio"/> Mortgage by Deposit of Title Deeds <input type="radio"/> Simple Mortgage	Ranking of Charge	Second Ranking Exclusive Charge		
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Ranking of Charge	Second Ranking Exclusive Charge													
19)	Special Conditions													
20)	Fees / Charges [Applicable taxes shall be levied on all Fees and Charges specified above. All Fees, Charges and Tax are non-refundable]	<table border="1"> <tr> <td>a) ECS/NACH/Cheque Bounce Charges, per instance of dishonour of ECS/NACH/Cheque (INR)</td> <td></td> </tr> <tr> <td>b) Late Payment Charges for Delayed EMI payment</td> <td></td> </tr> <tr> <td>c) Life Insurance Premium for Borrower (INR) (Only if Life Insurance coverage is opted by the Borrower, and one Time throughout the tenure of the Loan. To be borne by the Borrower)</td> <td></td> </tr> <tr> <td>d) CERSAI Charges (INR)</td> <td></td> </tr> </table>	a) ECS/NACH/Cheque Bounce Charges, per instance of dishonour of ECS/NACH/Cheque (INR)		b) Late Payment Charges for Delayed EMI payment		c) Life Insurance Premium for Borrower (INR) (Only if Life Insurance coverage is opted by the Borrower, and one Time throughout the tenure of the Loan. To be borne by the Borrower)		d) CERSAI Charges (INR)					
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#### Additional Covenants

##### 1. Affirmative Covenants

- a) The Borrower shall notify the Bank of any change in address and/or the status, terms or place of employment, nationality and/or citizenship of the Obligors.
- b) The Security provider shall continue to remain in occupation/possession of the Secured Assets and shall not part with the possession thereof.
- c) The Obligors shall, without any dispute, accept the statement of accounts and computation of interest provided by the Bank, as final, binding and conclusive evidence and proof of the correctness of the amounts mentioned in such statements of account and/or computation of interest furnished by the Bank and shall be bound by the same.
- d) Unless otherwise approved by the Bank in writing, the Obligors (as the case maybe) shall not:
  - i) make any change in its constitution or permit any change in its key persons whereby the effective beneficial ownership or control of the Obligor changes;
  - ii) Create, assume or incur any further Indebtedness.
- e) If the Borrower is a **company or a one person company**, the Borrower shall:
  - i) Promptly inform the Bank of change in location of its registered office.
  - ii) Intimate the Bank within seven days of service of any winding-up notice served on the Borrower and steps and defenses they propose to take/have taken to resist the claim of the creditor of the Borrower.
- f) If the Borrower is a **partnership or LLP**, the Borrower shall:
  - i) Promptly inform the Bank in the event of death or insolvency or retirement of any of its partners;
  - ii) Inform the Bank of any change in the address of its place of business, business activity etc.;
  - iii) Take prior written consent from the Bank for distributing any proceeds to its partners;
- g) If the Borrower is a **sole proprietorship**, the Borrower shall:
  - i) Notify the Bank of any change in the Borrower's business.
  - ii) Inform the Bank of any change in the address of its place of business, business activity, etc.
- h) If the Borrower is an **individual**, the Borrower shall:
  - i) Intimate and instruct his/her employer to transfer every month from the Borrower's salary and emoluments a specific sum (being the EMI) towards the repayment of the Loan, to the Bank. The Borrower confirms that the Bank shall have the authority to approach the Borrower's employer directly for repayment of EMI and/or any other charges/sum due from the Borrower to the Bank;
  - ii) Notify the Bank of any change in the Borrower's employment, business, profession or residential address;

## 2. Negative Covenants

- a) The Borrower shall not, during subsistence of the Loan:
  - i) Enter into any borrowing arrangement (secured or unsecured) without written permission of the Bank.
  - ii) Undertake any guarantee obligation on behalf of anybody.
  - iii) Shall not sell, mortgage, lease, surrender or otherwise howsoever alienate, encumber or create any third party interest in respect to any of his/her/its assets without express permission from the Bank.
  - iv) Repay the loans/advances raised from friends and relatives.
  - v) Pay commission to guarantors.
- b) If the Borrower is a **company or a one person company**, the Borrower shall not:
  - i) Take any corporate governance actions such that borrowing of the Loan becomes illegal.
  - ii) Make any change in the constitution, management or existing ownership or control or share capital of the Borrower without the prior consent of the Bank.
  - iii) Enter into a reconstruction or arrangement or merge or amalgamate with any other company or body corporate.
  - iv) Amend its memorandum of association and articles of association.
  - v) Make any reference to the Corporate Debt Restructuring Cell, National Company Law Tribunal or National Company Appellate Law Tribunal or any other forum or any other statutory body or for initiation of insolvency resolution process under the IBC or to restructure its constitution/ debt or rehabilitate/ reconstitute the Guarantor and/or its management;
- c) If the Borrower is a **partnership or LLP**, the Borrower shall not:
  - i) Dissolve the partnership or enter any new partners to the firm or make any change in its constitution;
  - ii) Alter the partnership deed.
- d) If the Borrower is a **sole proprietorship**, the Borrower shall not:
  - i) Make any change to its constitution, business, management, ownership or control;
  - ii) Amend its constitutional documents.
- e) If the Borrower is an **individual**, the Borrower shall not leave India for employment or business or stay on a long term during the tenure of the Loan.



### 3. Representations and Warranties

- a) If the Borrower is a **company or a one person company:**
  - i) The Borrower is a company, duly incorporated and validly existing under the law of its country of incorporation.
  - ii) All necessary approvals for availing the Loan have been obtained, including but not limited to the resolutions of the board of directors and shareholders of the Borrower, as applicable and that the Borrower will at all times till the full repayment of the Outstanding Obligations to the Bank, keep all such approvals valid and subsisting.
  - iii) There has been no Material Adverse Effect on the financial condition of the Borrower, nor has any event which is prejudicial to the interest of the Bank taken place since the date of latest audited financials of the Borrower.
  - iv) No director/member of the Borrower has been declared to be a Wilful Defaulter.
- b) If the Borrower is a **partnership or LLP:**
  - i) No partner/managing partner has been declared to be a Wilful Defaulter.
  - ii) No HUF is a partner in the Borrower.
  - iii) The partners who have signed the Agreement and the other Transaction Documents are the only partners of the Borrower.
- c) If the Borrower is a **sole proprietorship:**
  - i) The sole proprietor has not been declared a Wilful Defaulter.
  - ii) He/she is the sole proprietor of the Borrower and is solely responsible for the liabilities of the firm and is personally for performance of all obligations of the Borrower under the Transaction Documents.
- d) If the Borrower is an **individual:**
  - i) The Borrower has not been declared a Wilful Defaulter.

### 4. Events of Default

- a) In case the Borrower is a **company or a one person company:**
  - i) If the Borrower becomes subject to proceedings for taking it into liquidation, whether voluntarily or compulsorily, may be or have been commenced or if any resolution for voluntary winding-up is passed or if an order of a court of competent jurisdiction is made or the Borrower suspends payments or announces an intention to do so or suggests readjustment or rescheduling of its repayment obligations, provided that in case of proceedings for liquidation undertaken compulsorily, the same is not vacated, stayed or abated within the earlier of 30 (Thirty) days from the date of first hearing or admittance.
  - ii) The Borrower is unable to or has admitted in writing its inability to pay its debts as and when the same are due.
  - iii) If an attachment or distraint has been levied on the Securities or any part thereof for recovery of any dues from Borrower, provided that in the event such attachment or distraint is done by a statutory authority then if the same is not cured within 30 days from the attachment or distraint.
  - iv) If the Central, State or any other governmental authority has taken any action whereby the Borrower is deprived of substantial part of its assets, including but not limited to acquisition of the Securities, the release, inhibition, modification, suspension or extinguishment of any of the rights, or benefits or imposition of any restrictions on the Securities, or prevents the Borrower from conducting its business operations or substantial part thereof, revokes, terminates of, refuse renewal of authorizations pertaining to the Securities and the same is not vacated, stayed or abated within 30 days from the date of initiation of such action. In the event of property other than the Securities, the cure period for the same shall be 30 (Thirty) days.
  - v) If there is a change in the constitution, management or existing ownership or control of share capital of the Borrower.
- b) In case the Borrower is a **partnership or LLP:**
  - i) There is any change in the constitution of the Borrower without the approval of the Bank.
  - ii) If the Borrower is dissolved or a notice of dissolution is given to it or any of its partners or if the Borrower 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.
- c) In case the Borrower is a **sole proprietorship:**
  - i) If the sole proprietor of the Borrower commits an act of insolvency or makes an application for being declared insolvent or an order is passed declaring it insolvent;
  - ii) In case of death of the sole proprietor of the Borrower;
  - iii) If any two persons amongst the sole proprietor of the Borrower and/or any other Obligor who are married to each other are divorced.

- d) In case the Borrower is an **individual or a sole proprietorship:**
- i) If the Borrower commits an act of insolvency or makes an application for being declared insolvent or an order is passed declaring it insolvent;
  - ii) In case of death of the Borrower;
  - iii) If any two persons amongst the Borrower and/or any other Obligor who are married to each other are divorced.

**SIGNING PAGE**

**DECLARATION IF ANY BORROWER(S) SIGN(S) IN VERNACULAR LANGUAGE**

We, the below named persons, confirm and state that the contents of this document have been fully explained to the Borrower(s) in ***vernacular language (viz., \_\_\_\_\_)*** known to him/her, and he/she admitted and acknowledged the contents of same.

<b>Name of Witness</b>	<b>Address of Witness</b>	<b>Signature</b>

The Borrower(s) hereby expressly acknowledge(s) and confirm(s) that the Borrower(s) has/have read (or have been read over), verified, understood and agree and acknowledge all the terms and conditions contained herein and hereby record their respective signatures in token of acceptance of/agreement to the same, on this Agreement on the day, month and year, and at the place mentioned above.

Borrower     <b>(Signature)</b> <b>Name:</b>	Co-Borrower 1     <b>(Signature)</b> <b>Name:</b>
Co-Borrower 2     <b>(Signature)</b> <b>Name:</b>	Co-Borrower 3     <b>(Signature)</b> <b>Name:</b>
Co-Borrower 4     <b>(Signature)</b> <b>Name:</b>	For Ujjivan Small Finance Bank Limited     <b>(Signature)</b> <b>Name of Authorised Signatory:</b> <b>Designation:</b>