

FACILITY AGREEMENT

This Facility Agreement ("**Agreement**") is made at [____], India on [____] ("**Effective Date**") between:

BETWEEN:

The Borrower(s), details whereof is/are more particularly as described in **Schedule-I** appended to this Agreement and, wherever the context so requires, includes a Co-Borrower(s) named as in Schedule I and hereinafter collectively (if there is more than one Borrower(s)) referred to as the "**Borrower(s)**" (which expression shall, unless repugnant to the context or meaning thereof, be deemed to include, his/ her heirs, executors, administrators, successors and permitted assigns as the case may be of the **ONE PART**;

AND

JANA SMALL FINANCE BANK LIMITED, a small finance bank registered with the Reserve Bank of India, having its registered office at The Fairway Business Park, #10/1, 11/2, 12/2B, Off Domlur Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bangalore, Karnataka - 560071, India having its office/ branch at more particularly mentioned in the Schedule-1 herein under, hereinafter referred to as **the Bank** (The "**Bank**", which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns).

WHEREAS:

- (A) The Bank is registered as a Small Finance Bank with the Reserve Bank of India and is engaged in the business of providing financial assistance to persons/entities in India.
- (B) The Borrower has approached and requested the Bank to provide it with certain financial assistances in form of term loan and overdraft facilities for the Purpose (as defined below).
- (C) Accordingly, the Bank has agreed to provide to the Borrower financial assistances in form of Indian rupee denominated term loan and overdraft facilities ("**Facility**") up to a maximum principal amount set out in Schedule 1 in accordance with the terms and conditions of this Agreement.
- (D) In view of the above, the Parties (as defined below) are entering into this Agreement on the terms set out herein.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise stated, capitalised terms used in the Agreement have the meanings given to them in Schedule 2.

1.2 Interpretation

- (a) Any reference in this Agreement to:
 - (i) the "**assets**" of any person shall be construed as a reference to the whole or any part of its business, undertaking, property, shareholdings, assets and revenues (including any right to receive revenues and uncalled capital), both present and future;
 - (ii) any "**document**" or "**agreement**" includes that document or agreement as amended, supplemented, restated and/or replaced from time to time;
 - (iii) a "**person**" includes any individual, company, corporation, a Hindu Undivided Family, a partnership, a limited liability partnership, a trust, a joint venture, proprietorship, any government, state, agency, organization or other entity whether or not having separate legal personality, and its and any subsequent successors in title, heirs, permitted transferees and permitted assigns, in each case in accordance with their respective interests;
 - (iv) an "**authorised signatory**" means a person that has been duly authorised by a person to execute or sign any Finance Document (or any other document or notice in connection with the Facility) on behalf of that person;
 - (v) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent; and
 - (vi) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any Governmental Agency, as amended from time to time.
- (b) Words denoting the singular will include the plural and vice versa.
- (c) Headings to Clauses and Schedules are for ease of reference only.
- (d) References to "Clauses" and "Schedules" are to clauses of and schedules to this Agreement, and references to this Agreement include its Schedules.

- (e) Unless otherwise specified, whenever any payment to be made or action to be taken under this Agreement, is required to be made or taken on a day other than a Business Day, such payment shall be made or action shall be taken on the immediately succeeding Business Day, except if such due date is for the payment of principal, in which case the payment to be made on such due date (including accrued interest) shall be made on the immediately preceding Business Day.
- (f) Interest and any other amounts payable pursuant to this Agreement will be determined on the basis of a year consisting of 365 (three hundred and sixty five) days.
- (g) Where any provision of any Finance Document requires a determination/decision to be made, a conclusion to be arrived at, an opinion to be formed, or where there is a possibility of or the occurrence of a disagreement, dispute, conflict of interpretation between the Parties in relation to any provision of any Finance Document, the determination/decision or conclusion or opinion or interpretation or assessment of the Bank will be final and binding upon any other Party.
- (h) Any consent, permission, waiver, approval or clearance required to be provided by the Bank shall mean the prior written consent of the Bank.
- (i) A Default is "continuing" or "outstanding" if it has not been remedied or waived in writing.
- (j) All references to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, belief or awareness such person would have if such person had made careful enquiry.

2. FACILITY

- (a) Subject to the terms of this Agreement, and such other terms and conditions as may be prescribed by the Bank from time to time, the Bank agrees to provide to the Borrower and the Borrower agrees to avail from the Bank, the Facility.
- (b) The Facility shall be granted for the purpose and the tenure as provided in the Schedule hereunder written. In consideration of the Facility being provided by the Bank, the Borrower agrees to unconditionally abide by and observe all the terms and conditions herein after set out and as may be stipulated by the Bank from time to time. The Facility is uncommitted. Notwithstanding any other provision of this Agreement, the Bank will have no obligation to make any Drawdown under, or make available any part of the Facility, and may in its discretion at any time cancel all or any part of Facility which has not been utilised.

3. DRAWDOWN OF THE FACILITY

- (a) All proceeds under the Facility will be disbursed in the specified account, details of which are set out in Schedule 1 ("**Borrower's Account**"). The Borrower undertakes not to close/deactivate the Borrower's Account until the Final Settlement Date, unless otherwise agreed to by the Bank. The Facility may be disbursed in such number of tranches/Drawdowns as set out in Schedule 1.
- (b) Upon the Borrower meeting the credit criteria of the Bank and complying with the conditions as may be prescribed by the Bank, the Bank may permit the Borrower to utilize the Facility by submitting a Drawdown request in a form provided in Schedule 3 at least 2 Business Days prior to the date of Drawdown ("**Drawdown Request**") up to a maximum amount of the Facility or such other amounts as the Bank may stipulate and communicate to the Borrower from time to time. The Borrower will provide a separate Drawdown Request for each Drawdown under the Facility.
- (c) The Facility may be drawn down within the Availability Period.
- (d) Notwithstanding anything else contained in the Finance Documents, the Bank reserves the right to withhold disbursements under the Facility if, in its opinion, there is a Material Adverse Effect or if any event of default (however defined) occurs with any other bank/Bank of the Borrower.

4. CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

- (a) Prior to making a Drawdown Request to the Bank, the Borrower shall comply with all requirements mentioned in this Agreement and all other Finance Documents to ensure that this Agreement and the Finance Documents are legally binding and enforceable against the Borrower.
- (b) Notwithstanding the generality of the foregoing, before making a Drawdown under this Agreement, the Borrower will provide the Bank all documents, undertakings and evidence, and comply with all conditions precedent as set out under Part A of Schedule 4 ("**Conditions Precedent**") unless otherwise specifically

waived by the Bank in writing.

- (c) Additionally, the Borrower will fulfil all conditions subsequent within the time period specified in Part B of Schedule 4, and do all such acts, execute such documents/undertakings and provide such evidence to the satisfaction of the Bank as may be required to give effect to the same ("**Conditions Subsequent**"). Any delay or default in complying with the Conditions Subsequent will be an Event of Default.

5. REPAYMENT, PREPAYMENT AND CALL OPTION

Repayment

- (a) Each Drawdown under the Facility will be repaid in accordance with the terms set out in Schedule 1, or as otherwise mutually agreed between the Parties in writing.
- (b) To repay the Facility, the Borrower shall service such account of the Bank as may be communicated by the Bank to the Borrower from time to time, on the respective Due Dates by making repayment of the total principal amount and/or such instalments as set out in Schedule 1 together with any interest, Default Interest, Prepayment Premium (if applicable), break costs (if applicable) and commission thereon and all other costs, charges, payments and expenses payable under the Finance Documents and incidental to each Drawdown. No part of the Facility which is repaid or prepaid may be re-borrowed/re-drawn.

Prepayment

- (c) The Borrower cannot prepay the Facility or any part thereof in part or in whole on or prior to the respective Due Dates, unless otherwise set out in Schedule 1. In case the Borrower prepays part or whole of the Facility, the Borrower will immediately on demand by the Bank, pay to the Bank the break costs specified by the Bank in relation to any amount prepaid by the Borrower. Any notice of cancellation or prepayment given pursuant to the terms of this Agreement will be irrevocable and will specify the date upon which the relevant cancellation or prepayment is to be made and the amount to be cancelled or prepaid. All prepayments under the Facility, if any, will be in compliance with Applicable Law.

Mandatory Prepayment

- (d) The occurrence of any of the following events will require the Borrower to mandatorily prepay the Facility:
- [a] If the Bank is not satisfied with the proper end use of the funds or the borrower commits default in payment of monthly EMI/loan obligations on due date(s) or in the event of breach or violation of any terms and conditions of this agreement.

[b] In the event of default committed by the borrower in complying with the provisions of the loan agreement to be entered into by the borrower company for availing the present facility, the same shall be deemed to be a default committed by the borrower company under any Loan agreement/Facility Agreement entered into by the borrower company for availing any other facility/facilities.

No prepayment premium shall be charged for any mandatory prepayments

Call Option

1. In case of a Rating Downgrade, the Bank shall have the right to require the Borrower to repay the Facility together with all interest, costs, charges and other amounts payable in respect of the Facility (the "**Call Option**") to the Bank.
2. To exercise the **Call Option**, the Bank shall send a notice to the Borrower in writing informing the Borrower of the occurrence of a Rating Downgrade and the Bank's intention of exercising the Call Option ("**Call Option Exercise Notice**").
3. Following receipt of the Call Option Exercise Notice, the Borrower shall repay the Secured Obligations to the Bank within 60 Business Days of the receipt of the Call Option Exercise Notice.
4. The decision and/or determination of the occurrence of a Rating Downgrade by the Bank will be final and binding on the Borrower. The Borrower shall, from time to time, provide such information, documents and details as may be required by the Bank for the purposes of such determination.

6. REVIEW OF THE FACILITY

The Bank reserves the right to review the Facility from time to time, and the Borrower will provide all such information, documents, cash flow, statements and other details as may be required by the Bank for carrying out

such review. The Borrower further agrees that upon completion of such review, the Bank shall have the right to modify and/or amend the terms of the Facility, in accordance with Applicable Law.

7. INTEREST, FEES, COMMISSION

- (a) The rate of interest on all amounts drawn down under the Facility for each Interest Period is the Interest Rate set out in Schedule 1. The Borrower shall pay accrued interest on all amounts drawn down under the Facility on the Interest Payment Dates.
- (b) The Borrower will pay all fees, commission, interest, legal fees, and other costs (including in relation to the stamp duty payable on the Finance Documents) and charges in respect of the Facility on the relevant Due Dates.
- (c) The consequent upon any change effected by the regulatory authority in the TBLR/Repo Rate, the Bank shall apply such revision with immediate effect to the credit facility/loan of the Borrower. The Borrower hereby confirm that such revision of rate of interest by the Bank shall not be challenged or repudiated by the Borrower at any time. The revised rate of interest shall be linked to applicable TBLR/repo Rate and thereafter the interest on the Facility/loan will be calculated on the basis of the applicable TBLR/Repo Rate by the Bank. The Bank shall notify changes to the Borrower in mode and manner as specified in the Schedule- 1 herein under.
- (d) The interest rate is linked to the TBLR/Repo Rate as determined by the Bank from time to time. The Bank is under no obligation to give any prior notice to the Borrower with respect to any change in its TBLR/Repo Rate by the regulatory authority.
- (e) Notwithstanding what is stated herein above, the interest payable by the Borrower will also be subject to the changes in the interest rates made by the Reserve Bank of India from time to time.

8. DEFAULT INTEREST

- (a) In case of occurrence of an Event of Default, without prejudice to any other rights of the Bank, the Borrower shall pay interest on any amounts due and payable by the Borrower at the Default Interest Rate (over and above the Interest Rate set out in Schedule 1). Such interest will accrue on a daily basis from the date of the occurrence of the Event of Default until such Event of Default is cured to the satisfaction of the Bank, or the date of actual payment by the Borrower to the Bank of all Secured Obligations ("**Default Interest**"). For example, if the due date is 2nd day of every month and the Borrower pays the Instalment amount on 30th of the month, the Bank shall levy Default Interest starting from 3rd upto the 30th of that particular month.
- (b) In addition to the above, if the Borrower does not pay on the due date and the Instalment amount remains unpaid for a continuous period of 30 days, the Bank shall have the right to (a) levy Default Interest; or (b) report the Borrower as an SMA-0. If the Borrower further continues to default in repayment from a period of 30 days upto 60 days, the Bank shall report the Borrower as SMA-1 and levy Default Interest. If the Borrower further continues to default in repayment from a period of 60 days and no later than 90 days, the Bank shall report the Borrower as SMA-2 and levy Default Interest.
- (c) It is clarified that the payment of Default Interest is in addition to other rights that the Bank has under the Finance Documents, and the Bank reserves all of, its rights under this Agreement, the Finance Documents and Applicable Law.

9. TAX DEDUCTION

9.1 Tax gross-up

- (a) All payments by the Borrower under the Finance Documents shall be made free and clear of and without any deduction, except to the extent that the Borrower is required under Applicable Law to make payment subject to any Tax deduction at source.
- (b) All Taxes required to be deducted by the Borrower pursuant to Applicable Law from any amounts paid or payable under this Agreement and/or any other Finance Document shall be deducted by the Borrower as per Applicable Law from any amounts of interest paid or payable under this Agreement and/or any other Finance Document (as applicable). The Borrower will within the time period prescribed under Applicable Law or such other period as may be prescribed by the Bank, deliver to the Bank evidence satisfactory to the Bank (in accordance with the prevailing Tax laws) that the Tax has been deducted at source and remitted to the appropriate Tax authority.

9.2 Tax indemnity

If the Bank is required to make any payment of or on account of Tax on or in relation to any sum received or receivable under this Agreement or other Finance Documents (including any sum deemed for purposes of Tax to be received or receivable by the Bank whether or not actually received or receivable), the Borrower shall, within 10 (ten) days of demand of the Bank, indemnify the Bank for the loss/liability suffered by it as a result against such payment, together with any interest, penalties, costs and expenses payable or incurred in connection therewith.

9.3 **Stamp Duty**

The Borrower shall pay, and within 10 (ten) days of demand, and shall indemnify the Bank against, any cost, loss or liability incurred by the Bank in relation to all stamp duty, registration and other similar amounts payable in respect of this Agreement or any Finance Document. The Borrower understands and agrees that the foregoing includes any stamp duty payable, or which may become payable, under Applicable Law on this Agreement and the other Finance Documents, pursuant to persons other than the Bank becoming a party to the Finance Documents.

9.4 **Indirect Tax**

All amounts expressed to be payable under a Finance Document by any Party (other than the Bank) to the Bank shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is payable on any amount due to the Bank or on any disbursement made by the Bank, that Party shall pay to the Bank an amount equal to the amount of the Indirect Tax.

10. **CANCELLATION**

- (a) If, at any time, it is, becomes or will become unlawful or contrary to Applicable Law for the Bank to perform any of its obligations as contemplated under the Finance Documents or to fund or maintain the Facility, the Bank retains the right to unconditionally cancel the Facility. On intimation of cancellation or repudiation of the Facility pursuant to this Clause, the Facility will become due and repayable by the Borrower to the Bank along with all Secured Obligations on the date specified by the Bank for such repayment. The intimation of, or service of, cancellation or repudiation by the Bank to the Borrower is final, non-negotiable, and binding on the Borrower. Any cancellation or repudiation will not affect the validity of any Finance Document or discharge the liability of any Party (other than the Bank) to the Finance Documents.
- (b) The amounts under the Facility that remain unutilised at the end of the Availability Period shall automatically stand cancelled and reduced to zero on the last day of the Availability Period.
- (c) Notwithstanding anything else contained in this Agreement or any other Finance Document, the Borrower agrees and confirms that the Bank reserves an unconditional right to (at its discretion and without assigning any reason whatsoever) cancel the undrawn/unavailed portion of the Facility at any time until the Final Settlement Date, without any notice to the Borrower. Any such cancellation/withdrawal shall not absolve the Borrower of any of its liability to repay the Secured Obligations.

11. **INDEMNITY**

The Borrower hereby agrees and undertakes to indemnify and keep indemnified and hold harmless the Bank and its nominee(s) or any of them and each of their Affiliates, officers, directors, employees and advisors and every receiver, attorney, manager, agent or other person appointed by the Bank (each an "**Indemnified Party**") against any and all actual losses, expenses, liabilities, obligations, damages, actions, proceedings, claims, demands and judgments (including without limitation legal and other fees on a full indemnity basis) incurred by any Indemnified Party on the breach of any provisions of this Agreement or any other Finance Documents on the part of the Borrower herein contained and against all demands, actions, suits proceedings made, filed, instituted against the Bank, in connection with or arising out of or relating to:

- (a) any differential stamp duty obligations in case this Agreement or any other Finance Document is received in a state other than the state where it is executed;
- (b) providing of the Facility and any amounts thereunder;
- (c) any instructions received by the Bank, which it believes in good faith to be an instruction provided by fax or by e-mail from the Borrower or an authorised representative of the Borrower; and/or
- (d) any unauthorized or fraudulent instruction provided to the Bank in relation to the Facility, this Agreement and/or any other Finance Document.

All amounts necessary to effect the indemnity contained under this Clause 11 and all amounts payable by the Borrower under this Clause 11 shall form part of the Facility and shall be secured by the Security created in terms of the Finance Documents. Upon receipt of claims of any amounts under this Clause 11 from the Bank, the Borrower will promptly on demand and no later than 10 (ten) Business Days from demand by the Bank, pay to the Bank any amounts due and payable under this Clause 11.

12. SECURITY AND CONTRACTUAL COMFORT

- (a) The Bank has agreed to make the Facility available to the Borrower against the Security of the Movable/Immovable Hypothecated/Mortgaged Assets/Property to be provided by the Borrower and the guarantee(s) to be provided by the Guarantor(s) (if any).
- (b) The Borrower agrees to create security interest on the Assets/Property by way of mortgage of the Property in such form and manner as may be required by the Bank to secure the repayment of Facility.
- (c) The guarantee(s) shall be provided by the Guarantor(s) to the Bank on or prior to the Effective Date.
- (d) The Security over Movable/immovable Hypothecated/Mortgaged Assets/Property set out in Schedule 1 shall be created and perfected to the satisfaction of the Bank on or prior to each Security Creation Date. The Security over the Movable/Immovable Hypothecated/Mortgaged Assets/Property shall be a continuing Security until the Final Settlement Date.
- (e) The Borrower shall ensure that the Security Cover of at least 1 time (110%) is maintained over the Movable/Immovable Hypothecated/Mortgaged Assets from the Initial Security Creation Date until the Final Settlement Date.
- (f) Notwithstanding anything else contained in this Agreement or any other Finance Documents, the Bank retains the right to demand such additional Security in such form and value as maybe required by the Bank to secure the payment of the Secured Obligations and the Borrower agrees to provide such additional Security in a form and manner satisfactory to the Bank.

13. INSURANCE

The Bank may at its own discretion and upon Borrower's request, also finance the Borrower for the insurance premium of insurance policy taken by Borrower as per Borrower's own wish from any insurance company of Borrower's choice, which sum(s) shall be added to the principal amount under the Credit facility and all the terms and conditions shall be additionally applicable thereto All expenses, charges, fees, taxes etc. as applicable on any such insurance shall be incurred and paid by the Borrower, however in case paid by the Bank on Borrower's behalf, the Borrower shall reimburse the same to the Bank within 24 hours of the Bank's demand. The Borrower shall instruct the insurance company to add the Bank as loss payee in any such insurance policy.

If Borrower has opted for the Life Insurance Cover for this Credit Facility from any insurance company of Borrower's choice:

1. Borrower shall provide a Medical Certificate as required by the insurance company with the Bank.
2. Borrower(s) authorize to the Bank to settle all the dues pending against the loan, from the death claim amount received from insurance company. The Bank shall remit the excess amount if any, after settling all the dues payable by the Borrower(s), to the nominee at the time of opting for Life Insurance Cover.
3. The Borrower(s) are aware that the nominee also has to submit a discharge form stating that "this is the full and final settlement in regard to the death claim of the deceased Borrower and thus, hereby discharge the Life Insurance Company from any liability under this claim."
4. The Borrower shall assign in favour of the Bank and submit to the Bank the aforesaid original Insurance policy documents and premium payment receipts.

The Borrower shall assigned in favour of the Bank all above composite insurance policy(ies) in respect of the Property/ Personal and/or as required by the Bank at his/her/their own cost and expense and shall keep renewal of all policy(ies) on time to time as and when dues with insurance company and shall produce renewal receipts to the Bank within 30 days from the date its renewal with insurance company.

The Borrower shall insure and keep insured the Property/Assets against fire and other customary risks and hazards, for a value as may be required by the Bank, with an insurance company acceptable to the Bank and the Bank shall be made the sole beneficiary under the policy and shall produce evidence thereof to the Bank. The Borrower agrees that in the event of the Borrower failing to insure the Property/Assets and/or Life Insurance to the satisfaction of the Bank, the Bank shall be entitled to cause the Property/ Assets to be insured

with an insurance company for all risks that the Bank may, in its sole discretion, deem fit and to debit the insurance charges to the Loan Account of the Borrower.

INSURANCE COVER

Life Insurance-

Wherever borrower has opted for life insurance on the loan, such insurance shall not be considered to be in-force if the borrower has not received the policy from the Insurance Company.

In the event of non-receipt of policy within 60 days, borrower is advised to connect with Relationship Manager/ Insurance Company.

In the event of non-coverage of insurance on account of medical failures/rejection and unresolved discrepancies in the insurance form from the borrower's side, Bank may at its discretion increase the interest rate on the loan within the approved pricing guidelines of the bank with a prior intimation to the customer.

Property Insurance-

The Borrower shall obtain and maintain comprehensive insurance cover for the assets (Movable/immovable) charged to the Bank with the Bank endorsed as 'loss payee' and submit proof of the same.

In the event of any failure by the Borrower/s to obtain such insurance policies and/or to furnish proof of the same to the Bank, Bank may at its own and absolute discretion insure the assets at the borrower/s cost and recover the costs/expenses by debiting the borrowers loan or any other account of the Borrower, with the Bank.

14. UNDERTAKINGS AND COVENANTS

14.1 Affirmative Covenants and Undertakings

The Borrower hereby irrevocably and unconditionally agrees, confirms, undertakes and covenants as follows:

- (a) **Obligation to Pay:** The Borrower shall pay all Secured Obligations on their respective Due Dates. Each Drawdown under the Facility will constitute a separate debt.
- (b) **Purpose:** All proceeds from the Facility will be utilized only for the Purpose.
- (c) **Compliance:** The Borrower will comply with Applicable Law, including but not limited to the Indian Contract Act, 1872, the Child Labour (Prohibition and Regulation) Act, 1986, the Minimum Wages Act, 1948, and all regulations, directions, and guidelines prescribed by the RBI from time to time.
- (d) **Book and Records:** The Borrower will maintain its books and records in accordance with Applicable Law and prevailing accounting practices, which accurately reflect its financial position and operations.
- (e) **Inspection and Visit:** The Borrower hereby confirms that an inspection/site visit of all its premises, property/assets, books of accounts and all other relevant accounts, documents and records in respect of the Facility and the Hypothecated Assets will be conducted by the Bank in such interval(s) as maybe required by the Bank. The costs and expenses of such visits and/or inspections shall be paid and borne by the Borrower.
- (f) **Authorisations and Licences:** The Borrower shall maintain its existence and all rights and privileges enjoyed by it and obtain and comply with the terms of and do all that is necessary to maintain in full force and effect, all authorisations, approvals, licenses and consents required to enable it to lawfully carry on its business and affairs and to enter in to this Agreement and the Finance Documents.
- (g) **Taxes:** The Borrower shall regularly pay all Taxes, statutory dues and assessments (including provident fund, employee's state insurance dues, income tax, cess and any other statutory dues) as may, from time to time, be payable to any Governmental Authority in respect of its business/assets or otherwise.
- (h) **Filings:** The Borrower has filed its latest and most recent balance sheet(s) and profit and loss account statements/annual returns with the relevant registrar of companies.
- (i) **Security:** The Borrower shall ensure and procure that the Security required to be provided by it under the Finance Documents is created, perfected, protected and maintained in accordance with the terms of the relevant Finance Documents and Applicable Law.
- (j) **Ranking:** The Borrower undertakes that its obligations and liabilities under each Finance Document will at

all times rank at least *pari passu* with all its present and future unsecured indebtedness, except for obligations mandatorily preferred by law applying to companies generally. The foregoing is without prejudice to any specific priority or charge or security that the Bank may have under any Finance Document.

- (k) **Eligibility Criteria:** The Borrower will ensure that all Loans comprising the Portfolio to be originated by the Borrower from the proceeds of the Facility and secured in favour of the Bank will be originated in accordance with, and will comply with the Eligibility Criteria.
- (l) **Discretionary Audits:** The Bank may conduct discretionary audits on the Borrower at such other frequency as the Bank may prescribe, and the Borrower shall provide all assistance as may be required for the purposes of such audit. Such discretionary audits shall, *inter alia*, cover collection standards, management, governance, internal systems, origination and credit appraisal standards, documentation and processes, data integrity and customer protection.
- (m) **Environmental Laws:** The proceeds of the Facility shall not be used to carry out any activity prohibited under any environmental laws in India. In case any of the activities carried out by the Borrower are prohibited under any environmental law, the Borrower shall promptly notify the Bank immediately and discontinue such activities forthwith. Any breach of this undertaking will constitute an Event of Default under this Agreement.
- (n) **Repayment of Indebtedness:** The Borrower shall not repay any of its unsecured loans obtained from any of its promoters (as defined in the Companies Act, 2013) whether provided prior to following the date of this Agreement.
- (o) **Repayment Account:** The Borrower shall make all repayments in respect to the Secured Obligations into such bank account(s) as may be maintained by the Borrower with the Bank, and as may be acceptable to the Bank.
- (p) **Certifications:**
 - (i) The Borrower shall provide to the Bank a certificate from its company secretary/Managing Director certifying that the provisions of "connected lending" are not applicable to the Borrower, its promoters and directors.
 - (ii) The Borrower shall provide to the Bank a certificate from its company secretary/a practicing chartered accountant confirming compliance of the Borrower with "Responsible Lending Practices".
 - (iii) The Borrower shall provide to the Bank a certificate from its Managing Director or its company secretary or a practicing chartered accountant confirming that it is complying with all Applicable Law (including all relevant state and central laws) and all applicable regulatory guidelines, including guidelines in respect of foreign direct investments, the Foreign Exchange Management Act, 1999, the Foreign Contribution Regulation Act, 2010, and any external commercial borrowing related regulations, as may be applicable.
- (q) **Further Assurances:** The Borrower shall execute such further documents, forms and papers and do such other acts, deeds and things as the Bank/its nominees may in its/their discretion from time to time require (including with respect to the perfection of Security on the Hypothecated Assets by way of filing the charge created with the relevant registrar of companies within the timelines prescribed under Applicable Law).
- (r) The Borrower shall irrevocably undertake that the facility shall not be used to carry out any activity prohibited under the environmental laws of the country. In case, any of the activities carried out by the Borrower are barred under the applicable environmental law either through an amendment or legislation, the Borrower undertakes to notify the Bank immediately and stop/discontinue the activity forthwith. Continuance of the activity will amount to an Event of Default (defined below) under the Facility and such Event of Default can't be cured by the Borrower which may lead to termination/acceleration of the Facility.
- (s) The Borrower/Guarantor shall undertake to comply with the provisions of Child Labour (Prohibition and Regulation) Act 1986 and all its subsequent amendments.
- (t) The Borrower shall irrevocably undertake to abide by all Indian laws and regulations, statutory obligations (IT, GST etc.) and meeting such obligations on time.
- (u) The Borrower shall undertake to make all loan repayments into a bank account maintained by it with the Bank.

- (v) The Borrower shall undertake to keep the Bank informed in the event of change in ownership or constitution of the Borrower duly supported by documentary evidence. In such event, bank reserves its absolute right and discretion to review the loan/credit facilities sanctioned and to take appropriate call with regard to further continuance of the facilities.
- (w) The borrower has to undertake that the Bank will be kept informed of the happenings-any event likely to have a substantial effect on the borrowers business, repayment of loan/credit facilities availed.
- (x) The Borrower shall undertake to submit all the Financial and other related statements/documents (audited/provisional) from time to time and as and when required by the Bank.
- (y) The co-borrower/s to the loan shall provide an undertaking that no consideration whether it be by way of commission, brokerage or whatsoever manner was received from the Borrower, directly or indirectly for providing the Guarantee to the Bank, in consideration of the facility to the Borrower.
- (z) All the securities charged/ title deeds of mortgaged property with the Bank will be returned back to the title holder of the property within 15 working days of the repayment of all dues agreed to or contracted. If any right to set off is to be exercised for any other claim, JSFB will give due notice with full particulars about the other claims and retain the securities / documents / title to mortgaged property till the relevant claim is settled / paid.
- (aa) The Borrower shall comply with all laws and regulation, statutory obligations (IT, GST etc.) and meeting such obligations on time.
- (bb) The proceeds of the Loan/Credit facilities sanctioned by the Bank shall be utilised by the Borrower exclusively for the purpose for which the Loan/credit facility was sanctioned. If, the said condition is violated by the Borrower, the Bank reserves the right to recall / demand repayment of the entire loan or part thereof along with interest, penal charges and also to withdraw the loan/credit facility.

14.2 Negative Covenants

The Borrower covenants and undertakes that until the Final Settlement Date, it will not, without the prior written consent of the Bank:

- (a) assume, guarantee, endorse, undertake any other obligations or in any manner become directly or contingently liable for or in connection with the obligation of any person other than itself;
- (b) grant any loans or any credit or invest by way of share capital in any other concern, (other than in the ordinary course of its business);
- (c) raise any additional Financial Indebtedness (whether secured or unsecured) from any other Bank/bank or financial institution other than in the ordinary course of business;
- (d) declare or pay dividends in respect of any financial year;
- (e) diversify, change or modify its line of business;
- (f) undertake any expansion or fresh project or acquire any fixed assets (except in the ordinary course of business);
- (g) repay any of its loans, obligations, deposits and discharge other liabilities except in the ordinary course of business or those disclosed to the Bank in the funds flow statement submitted, from time to time;
- (h) enter into or perform any transaction (including but not limited to loans or advances and investments by way of share capital and excluding related party transactions) other than in its ordinary course of business;
- (i) enter into any transaction(s) with any related party (as defined in Companies Act, 2013) other than in the ordinary course of business and in compliance with Applicable Law;
- (j) formulate any scheme of merger, acquisition, amalgamation or re-constitution;
- (k) invest/lien/deposit to any group firms & companies/directors/ family members /other corporate bodies/firms/persons etc.;
- (l) create any further charge, lien or encumbrance over any of its the assets (including the Hypothecated Assets) in favour of any other bank, financial institution, Bank, company or other person except in the ordinary course of business;

- (m) dispose of any of its fixed assets; and/or
- (n) pay any commission, brokerage, fees etc. to the Guarantor(s) (if any).

14.3 Information Covenants

- (a) The Borrower will provide to the Bank:
 - a. within 90 (ninety) days from the end of each financial year, its audited consolidated and unconsolidated financial statements for that financial year;
 - b. within 30 (thirty) days from March 31, June 30, September 30, and December 31 of each calendar year, its unaudited consolidated and unconsolidated financial statements for the preceding three-month period comprising the financial quarter;
 - c. on a quarterly basis, a management information system (MIS) report with key operational and milestone parameters (in respect of its operations), including the total disbursements, the total loan receivables, the average internal rate of return etc.;
 - d. on a quarterly basis, its management accounts (including its profit and loss statement and the balance sheet);
 - e. on a monthly basis, a statement on the aging of its receivables;
 - f. on a quarterly basis, its asset liability management statement;
 - g. within 90 (ninety) days from the end of each financial year, its audited consolidated and unconsolidated financial statements for that financial year; and
 - h. within 60 (sixty) days from the end of half financial year, its unaudited consolidated and unconsolidated financial statements for the preceding six-month period.
- (b) From the Effective Date until the Final Settlement Date, the Borrower will promptly, and in no event later than 3 (three) Business Days of the occurrence of such event, notify the Bank in writing if:
 - (i) any changes or modifications in the directors of the Borrower;
 - (ii) any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings, requisition or disputes are commenced or threatened in relation to this Agreement or any other Finance Document or the transactions contemplated therein or against the Borrower or in relation to its assets which has or is reasonably likely to have a Material Adverse Effect;
 - (iii) any proceedings are commenced, filed or threatened in relation to insolvency, winding up or bankruptcy of the Borrower under Applicable Law;
 - (iv) any authorisations required by the Borrower in connection with the entry into, performance, validity and enforceability of any of the transactions contemplated by this Agreement or the Finance Documents or to maintain its corporate existence or conduct its business cease to be in full force and effect or are not renewed;
 - (v) any Default or Event of Default and any event or circumstance which constitutes a default (howsoever described) under any other agreement binding upon it (and, in each case, the steps, if any, being taken to remedy it);
 - (vi) details of any event or circumstance which has or is likely to have a Material Adverse Effect on the Borrower, its business or the Facility;
 - (vii) details of any other circumstances adversely affecting the Borrower's financial position, including any action taken by any creditor; and/or
 - (viii) details of any event in respect of any amendment or revocation of authorizations and consents, change of Applicable Law, any force majeure event, insurance claims or any other similar event which has or is likely to have a Material Adverse Effect.
- (c) The Borrower shall provide a written statement of the loan facilities availed by it from any other Bank/financial institutions on a monthly basis.
- (d) The Borrower will provide to the Bank all documents dispatched by the Borrower to its creditors (or any

class of them) at the same time as they are dispatched.

- (e) The Borrower will submit on demand by the Bank such other/additional information, documents or evidence, financial or otherwise, from time to time, as the Bank may require including, without limitation, any information requested in relation to the Purpose of the Facility.
- (f) The Borrower will, promptly inform the Bank of the happening of any event which is likely to have an impact on its profit or business together with rationale for the change and the remedial steps proposed to be taken by the Borrower.

15. REPRESENTATIONS AND WARRANTIES

The Borrower makes the following representations and warranties (on its behalf and on behalf of the Guarantor(s), if any) (to the extent applicable)) and states that the same are true, correct, valid and subsisting in every respect as of the date of this Agreement, and as on each day until the Final Settlement Date:

- (a) **Status:**
 - (i) It is duly incorporated and is validly existing under the laws of its jurisdiction of incorporation.
 - (ii) It is a non-banking financial company - micro finance institution registered with the RBI.
 - (iii) It has the power to own its assets and carry on its business as it is being conducted.
- (b) **Power and Authority:** Under its constitutional documents, the Borrower has the capacity and is empowered and authorised to enter into, perform and deliver this Agreement and each other Finance Document required to be executed to avail the Facility and that the Borrower has taken all necessary corporate and other actions for execution of this Agreement, other Finance Documents and availing of the Facility from the Bank.
- (c) **Binding Obligations:** This Agreement, other Finance Documents and all other documents in relation to the Facility, when executed by the Borrower will constitute its legally valid and binding obligations, enforceable in accordance with their respective terms, and the person(s) executing the Finance Documents (on behalf of the Borrower) is/are duly authorised to execute the same.
- (d) **Non-Conflict:** The Borrower does not violate any covenants, conditions and stipulations under its constitutional documents or any existing agreement entered into by the Borrower with any third party, any authorisation granted by any Governmental Authority or any Applicable Law, by availing the Facility from the Bank and entering into the Finance Documents.
- (e) **Validity and Admissibility:** All authorisations required to enable the Borrower to lawfully enter into, exercise their rights and comply with their obligations in the Finance Documents, to make the Finance Documents admissible in evidence in India, for the Borrower to carry on its business have been obtained or effected and are in full force and effect.
- (f) **Pending Litigation:** There is no action, suit, proceeding or investigation pending or to the knowledge of the Borrower threatened by or against the Borrower or the property of the Borrower before any courts/tribunals or any Governmental Authority which might have a Material Adverse Effect or which might affect the validity, enforceability or performance of the Finance Documents.
- (g) **Financial Condition:** There has been no change in the financial condition of the Borrower, nor has any event occurred which is prejudicial to the interest of the Bank since the date of the latest audited financials of the Borrower, which results or is likely to result in a Material Adverse Effect.
- (h) **Immunity:** The Borrower is not entitled to sovereign (or any other) immunity for itself or any of its properties, assets (including Hypothecated Assets), revenues or rights to receive income from any contract, suit or from the jurisdiction of any court, from execution of a judgment suit, execution, attachment or other legal process in any proceedings in relation to the Finance Documents.
- (i) **Title:** The Borrower is the absolute legal and beneficial owner of and has good, clear and marketable title to the Hypothecated/Mortgaged Assets over which it purports to create Security under any Finance Document, free from all Encumbrances (except the Security created pursuant to the Finance Documents) and such Hypothecated Assets are not subject to any *lis pendens*, attachment or other process issued by any court or other authority.
- (j) **No Default:** No Default or an Event of Default has occurred and is continuing or might reasonably be expected to result from the making of any drawing under the Facility, no event or circumstance is

outstanding which has or might reasonably be expected to have a Material Adverse Effect, and no event or circumstance is outstanding which constitutes a default under any other agreement binding upon it including any payment or other contractual obligations.

- (k) **Information:** The Borrower has disclosed to the Bank all information (financial or otherwise) relating to it and all other relevant parties which is material to be known to the Bank in view of the provisions of the Finance Documents, and all such information is true, complete and accurate in all respects as on the Effective Date and is not misleading in any respect.
- (l) **Authorisations:** All authorisations, consents, approvals, or licenses (including from any Governmental Authority or from any existing Banks/creditors of the Borrower) required or desirable in connection with its entry into and compliance with its obligations under this Agreement or the Finance Documents have been obtained or effected and are in full force and effect.
- (m) **Filings:** All registrations, recordings, filings and notarisations of any Finance Documents and all payments of any Tax or duty, including without limitation stamp duty, registration charges or similar amounts which are required to be made by the Borrower, and which are necessary to ensure the legality, validity, enforceability or admissibility in evidence of the Finance Documents have been made by the Borrower.
- (n) **Mortgage/Hypothecated Property/Assets:** All Loans comprising the Mortgage/Hypothecated Property/Assets comply with the eligibility criteria specified in Schedule 1.
- (o) **Material Adverse Effect:** No Material Adverse Effect has occurred.
- (p) **Insolvency**
 - (i) The Borrower is able to, and has not admitted its inability to, pay any Financial Indebtedness and has not suspended making payment on any Financial Indebtedness.
 - (ii) The Borrower has not, by reason of actual or anticipated financial difficulties, commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
 - (iii) No moratorium has been declared in respect of any Financial Indebtedness of the Borrower.
 - (iv) The Borrower has not been reported as a "Special Mention Account" by any of its creditors.
 - (v) No reference has been made, or enquiry or proceedings commenced, in relation to the Borrower, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets.
 - (vi) No application has been filed before the National Company Law Tribunal, or any other forum seeking the commencement of an insolvency resolution process under the IBC (to the extent applicable) or a winding up or bankruptcy proceedings in respect of the Borrower.
- (q) **No Relations:** (i) None of the directors of the Bank is a director, a managing agent, a manager, an employee or a guarantor in the Borrower or any of its Affiliates. (ii) None of the Borrower's senior officers or their relatives is a near specified relation of any of the Bank's directors or any part of the Bank's management committee. (iii) No relative or a senior officer of the Bank, holds a substantial interest (i.e. over 2% (two percent) shareholding in the Borrower) or is interested as a partner, director or a guarantor in the Borrower. (iv) None of its Directors are disqualified under Section 164 of the Companies Act, 2013.
- (r) **Willful Defaulter:** Neither the Borrower nor any of its directors or promoters have been declared as a willful defaulter by the RBI or are on:
 - (i) the Export Credit Guarantee Corporation (ECGC)'s specific approval list;
 - (ii) the RBI's willful defaulters/caution list; or
 - (iii) any other defaulter list of any bank/financial institution or CIBIL.

16. EVENTS OF DEFAULT

Occurrence of any one or more of the following events will constitute an Event of Default under the Finance Documents:

- (a) **Non-Payment:** The Borrower commits any default in the payment of any of the Secured Obligations on their respective Due Dates.
- (b) **Misrepresentation:** Any representations, information, statements or particulars made by or provided by, or deemed to be made by the Borrower or on behalf of the Borrower under this Agreement or any other Finance Document or other certificates, undertakings and/or declarations are found to be incorrect or misleading when made or provided or deemed to be made or provided.
- (c) **Breach of Other Obligations:** The Borrower commits or threatens to commit any breach or default in performance or observance of the provisions of this Agreement or of any other Finance Document or fails to keep or perform any of the terms or provisions of any other agreement or writings between the Bank and the Borrower in respect of the Facility.
- (d) **Financial Covenants:** The Borrower commits or threatens to commit of breach of any of the Financial Covenants.
- (e) **Insolvency**
 - (i) Failure in business of the Borrower, general assignment by the Borrower for the benefit of creditors, suspension or threats to suspend any payment to any creditors by the Borrower, any petition in insolvency by, or against the Borrower is filed or any petition for winding up of the Borrower is filed.
 - (ii) The Borrower is unable to pay its debts or if a liquidator, or receiver is appointed in respect of any property or estate of the Borrower or the Borrower goes into liquidation for the purpose of amalgamation or reconstruction.
 - (iii) A receiver liquidator, receiver, administrative receiver, administrator, compulsory manager, provisional supervisor is appointed in respect of the whole or any part of the property/assets of the Borrower.
 - (iv) The liability of the Borrower exceeds its assets.
- (f) **Insolvency Proceedings**

Any corporate action, or legal proceedings or other procedure or step is taken in relation to:

 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Borrower;
 - (ii) any reference, or enquiry is made or proceedings are commenced, in relation to the Borrower, before the National Companies Law Tribunal or any other Governmental Authority or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets;
 - (iii) enforcement of any Security over any assets of the Borrower or its Affiliates;
 - (iv) reporting of the Borrower as a "Special Mention Account" by any of its Banks/creditors;
 - (v) filing of an application or a petition by the Borrower or any third party in relation to the commencement of an insolvency resolution process under the IBC (to the extent applicable) in respect of the Borrower or any other Applicable Law; or
 - (vi) any analogous procedure or step is taken in any jurisdiction.
- (g) **Litigation:** Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced in relation to the Finance Documents or the transactions contemplated therein or against the Borrower or its assets which has or might, in the sole opinion of the Bank, be expected to have a Material Adverse Effect.
- (h) **Moratorium:** Any Governmental Authority declares a general moratorium or "standstill" or makes or passes any order or regulation having a similar effect in respect of the payment or repayment of any Financial Indebtedness (whether in the nature of principal, interest or otherwise) or any indebtedness which includes Financial Indebtedness owed by the Borrower, whether or not such declaration, order or regulation is of general application, applies to a class of persons which includes the Borrower.

- (i) **Unlawfulness:** It is or becomes unlawful for the Borrower to perform its obligations under this Agreement or any Finance Document to which it is a party or if this Agreement or any of the Finance Documents to which the Borrower is a party becomes ineffective against the Borrower.
- (j) **Repudiation:** The Borrower terminates or repudiates, or evidences an intention to terminate or repudiate this Agreement or any other Finance Document to which it is a party.
- (k) **Cessation or Change of Business:**
 - (i) The Borrower changes the general nature of its business from that which is permitted as a non-banking financial company – micro finance institution registered with the RBI.
 - (ii) If the Borrower ceases or threatens to cease or carry on its business.
- (l) **Security:**
 - (i) If any circumstances or event occurs which, in the opinion of the Bank is prejudicial to or jeopardizes or is likely to prejudice, or jeopardize any Security given by the Borrower under this Agreement or any Finance Document.
 - (ii) Any Security under this Agreement or any Finance Document is not created and perfected within the timelines specified under this Agreement.
 - (iii) The guarantee, if any, is not provided by the Guarantor within the timelines prescribed in this Agreement.
 - (iv) The Security Cover of at least 1.20 time (120%) is not maintained by the Borrower in accordance with the terms of the Finance Documents.
 - (v) Any security document is assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the Bank ceases to provide the benefit of the Security created or purported to be created.
 - (vi) Any of the Loans comprising the Hypothecated Assets do not comply with the eligibility criteria specified in Schedule 1.
 - (vii) Any additional Security as required by the Bank is not created and perfected within the timelines stipulated by the Bank to its satisfaction.
- (m) **Material Adverse Effect:** The Bank determines that a Material Adverse Effect exists, has occurred or could be expected to occur.
- (n) **Purpose:** If the Facility or any part thereof is utilized for any purpose other than the Purpose as set out in Schedule 1.
- (o) **Change in Control:**
 - (i) If any change in the constitution or management of the Borrower occurs without previous written consent of the Bank.
 - (ii) Change in Control or management set-up of the Borrower occurs without prior consent of the Bank.
- (p) **Revocation of Consents and Authorisations:** If any consent, authorization, approval or licenses of or registration with or declaration to any Governmental Authority required to authorize or required by the Borrower in connection with the execution, delivery, validity, enforceability or admissibility in evidence of the Finance Documents or the performance by the Borrower of its obligations there under or required for the purposes of carrying out its business is modified in a manner unacceptable to the Bank or is not granted or revoked or terminated or expires and is not renewed or otherwise ceased to be in full force and effect.
- (q) **Cross Default:**
 - (i) If any other bank or financial institution with which the Borrower has entered into agreements for financial assistance refuses to disburse the loans or any part thereof under their respective loan agreements.

- (ii) The Borrower commits a breach of any other agreement entered into by the Borrower with any other bank, financial institution or Bank.
- (iii) Any Financial Indebtedness of the Borrower is not paid when due nor within any originally applicable grace period or is declared to be or otherwise becomes due and payable prior to its specified maturity.
- (r) **Judgments, Creditors' Process:**
 - (i) The Borrower fails to comply with or pay any sum due by it under any final judgment or any final order made or given by a court of competent jurisdiction within the time specified under such order or Applicable Law, whichever is earlier.
 - (ii) Any attachment, sequestration, distress or execution affects any asset or assets of the Borrower.
- (s) **Expropriation:** Any Governmental Authority or other authority (whether de jure or de facto) nationalises, compulsorily acquires, expropriates or seizes all or any part of the business or assets of the Borrower.
- (t) **Constitutional Documents:** Any change, modification or alteration to the constitutional documents of the Borrower, without the prior written consent of the Bank, that has or is likely to have a Material Adverse Effect.
- (u) **Compliance with Applicable Law:** The Borrower Any regulatory/statutory violation by the Borrower.
- (v) **Rating Downgrade:** Any downgrade in the rating of the Borrower (determined by any credit rating agency accredited by the RBI) by one or more notches from that subsisting as on the date of this Agreement.

17. CONSEQUENCES OF EVENTS OF DEFAULT

16.1 If an Event of Default has occurred, the Bank may, without prejudice to any rights that they may have, take one or more of the following actions including but not limited to:

- (a) accelerate, recall and declare all amounts payable by the Borrower in respect of the Facility (including the Secured Obligations) to be due and payable immediately;
- (b) declare all undrawn commitments under the Facility to be cancelled, terminated or suspended;
- (c) make disclosure of details pertaining to the Borrower and/or the Guarantor(s) (if any) to CIBIL/RBI;
- (d) charge Default Interest on the entire outstanding amounts under the Facility;
- (e) to enforce any/all Security and the guarantee(s) (if any) provided to the Bank in terms of this Agreement and the other Finance Documents;
- (f) the Bank shall have a right to review the management set up or organisation of the Borrower and to require the Borrower to restructure it as may be considered necessary by the Bank, including the formation of management committees with such powers and functions as may be considered suitable by the Bank. The Borrower shall promptly comply with all such requirements of the Bank; and
- (g) exercise of any other rights/remedies available to the Bank under Applicable Law or under the Finance Documents.

16.2 Conversion

- (a) Upon the occurrence of an Event of Default, the Bank shall, until the Final Settlement Date, have the right to convert ("**Conversion Right**") at its option the whole or part of the Secured Obligations (whether then due and payable or not), into fully paid-up equity shares of the Borrower, at a conversion price, which will be determined in accordance with Applicable Law, including any regulations or guidelines issued by the RBI from time to time. The Conversion Right will be exercised by the Bank in accordance with Applicable Law, including any regulations or guidelines issued by the RBI from time to time, in this regard.
- (b) The Borrower shall ensure that all requisite corporate approvals/authorizations including but not limited to the approvals from the shareholders are duly obtained for giving effect to the Conversion Right available to the Bank in accordance with its constitutional documents and Applicable Law.

18. COSTS AND EXPENSES

The Borrower will promptly and on demand reimburse and pay to the Bank all costs, charges and expenses, including stamp duty and legal costs on actual basis and other charges and expenses which may be incurred by the Bank in connection with (a) the negotiation, preparation, printing and execution of any Finance Document, (b) responding to, evaluating, negotiating or complying with any request from the Borrower for any amendment, waiver or consent in connection with the Facility, and (c) the enforcement or preservation of any rights of the Bank under any Finance Documents including in relation to maintenance of any Security created/executed by the Borrower in favour of the Bank.

19. ASSIGNMENT AND TRANSFER

- (a) The Borrower cannot transfer or assign any of its rights or liabilities under this Agreement or under any Finance Document, executed or to be executed by the Borrower in the Bank's favour pursuant to this Agreement and/or the Facility to any person without the prior written consent of the Bank.
- (b) The Borrower agrees that notwithstanding anything to the contrary contained in this Agreement or any other Finance Document, the Bank shall have the right to assign, transfer, novate and/or securitise its rights or obligations under this Agreement and/or other Finance Documents, without any reference or notice to, and without requiring any consent from, the Borrower.
- (c) The Borrower agrees that the Bank (or any nominee, agent, trustee, representative of the Bank) may retain the Security created pursuant hereto (or any part thereof) in trust and for the benefit of such assignee (and upon part assignment of the Facility, in trust and for the benefit of both the Bank and such assignee on a *pari passu* basis), without requiring any consent of or notice or making any references to the Borrower.
- (d) The Borrower irrevocably and unconditionally confirms that it shall continue to be bound by the terms of the Finance Documents notwithstanding such transfer or assignment by the Bank.

20. DISCLOSURE

19.1 Consent

The Borrower hereby provides its consents to the Bank, its officers and agents for disclosing information relating to the Borrower and the Borrower's account(s) and/or dealing relationship(s) with the Bank, including but not limited to details of the Facility, any Security provided to secure the Facility, and all transactions undertaken:

- (a) to any Affiliate of the Bank (together with the Bank, the "**Permitted Parties**");
- (b) professional advisers, arrangers, structurers, chartered accountants, insurers or insurance brokers and service providers of the Permitted Parties who are under a duty of confidentiality towards the Permitted Parties;
- (c) to any actual or potential assignee, novatee, transferee, participant or sub-participant in relation to any of the Bank's rights and/or obligations under any agreement (or any agent or adviser of any of the foregoing); and
- (d) to any rating agency, insurer or insurance broker, or direct or indirect provider of credit protection to any Permitted Party; as required under Applicable Law or by a Governmental Authority.

The Bank and/or any third party mentioned in this Clause may transfer and disclose any such information as required under Applicable Law or by any Governmental Authority or by an agreement between the Bank and any Governmental Authority.

19.2 Other Disclosures

- (a) The Borrower agrees and confirms that as a pre-condition, to the grant of the Facility by the Bank to the Borrower, the Bank, requires consent of the Borrower to make certain disclosures in relation to the Borrower including information and data relating to the Borrower and any credit facility availed or to be availed by the Borrower, obligations assumed or to be assumed by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof. Accordingly, the Borrower hereby agrees and gives consent to the disclosure by the Bank of all or any such;
 - (i) information and data relating to the Borrower;
 - (ii) the information or data relating to any credit facilities including, the Facility availed of or to be availed of by the Borrower from the Bank and the Borrower's obligations in any credit facility granted/to be granted, by the Bank (including the Facility); and

(iii) default, if any, committed by the Borrower in discharge of such obligations;

as the Bank may deem appropriate and necessary, to disclose and furnish to CIBIL and/or RBI and any other agency authorized in this behalf under Applicable Law or any other Governmental Authority, including the Information Utilities established pursuant to the IBC (as applicable).

(b) The Borrower further declares that the information and data furnished by the Borrower to the Bank are/shall be true and correct and further undertakes and declares that:

(i) CIBIL, RBI, any Information Utility or any other Governmental Authority, and any other agency so authorized may use, process the said information and data disclosed by the Borrower in a manner deemed fit by them; and

(ii) CIBIL, RBI, any Information Utility or any other Governmental Authority, 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 under Applicable Law.

(c) The Borrower further provides its consent to the Bank to disclose its name and the name of the Guarantor(s) (if any) under the Special Mention Accounts and/or as non-cooperative borrowers and /or provide such information on Central Repository of Information on Large Credits' (CRILC) in compliance of RBI circular dated March 21, 2014 on "Early Recognition of Financial Distress, Prompt Steps for Resolution and Fair Recovery for Banks".

19.3 The Borrower authorizes the Bank to verify any of the information provided by the Borrower or obtain/confirm the credit standing/credit-worthiness of the Borrower from third party that the Bank may consider appropriate (including a credit rating agency).

21. CERTIFICATES AND CALCULATIONS

The Borrower agrees to accept the statement of account sent by the Bank or by any other authorized representative of the Bank as conclusive proof of the correctness of any sum claimed to be due from the Borrower. In any litigation or other similar proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by Bank are prima facie evidence of the matters to which they relate. Any certification or determination by the Bank of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22. NOTICES

21.1 Any communication to be made under or in connection with this Agreement will be made in writing and, unless otherwise stated, may be made by fax or letter to the fax number or name and address set out in Schedule 1. All such notices and communications will be deemed to be delivered and effective (a) if sent by fax when receipt of delivery is confirmed, (b) if personally delivered, when delivered, (c) if sent by courier 2 (two) Business Days after deposit with an overnight courier, and (d) if sent by registered letter when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not. An original of each notice and communication sent by fax will be dispatched for personal delivery or delivery through overnight courier and, if such person or courier service is not available, by registered post.

21.2 Any communication to be made between the Borrower and the Bank under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Borrower and the Bank agree that, (a) unless and until notified to the contrary, this is to be an accepted form of communication, (b) they will notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means, and (c) and notify each other of any change to their address or any other such information supplied by them.

21.3 Any notice given under or in connection with the Finance Documents must be in English. All other documents provided under or in connection with the Finance Documents must be in English; or if not in English, and if so required by the recipient, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23. SEVERABILITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect, the legality, validity or enforceability of the remaining provisions will not, in any way, be affected or impaired.

24. ILLEGALITY

If it becomes unlawful in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by this Agreement or any other Finance Document, the Bank shall promptly notify the Borrower upon becoming aware of that event and in which case the Facility, or a part thereof shall stand cancelled and the Borrower shall repay the same forthwith to the Bank.

25. GOVERNING LAW AND JURISDICTION

- (a) This Agreement shall be governed by and construed in all respects by the laws of India.
- (b) The Parties agree to submit to the exclusive jurisdiction of the courts and tribunals of the Location of Dispute Resolution. The Borrower irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of these courts and tribunals, and irrevocably waives any objection now or in future, to the laying of the venue of any proceedings in the courts or tribunals at the Location of Dispute Resolution and any claim that any such proceedings have been brought in an inconvenient forum. The submission to the exclusive jurisdiction of the courts of the Location of Dispute Resolution is for the benefit of the Bank only and will not (and will not be construed so as to) limit the right of the Bank to take proceedings in any other court of competent jurisdiction, nor shall the taking of proceedings by the Bank in any one or more jurisdictions preclude the taking of proceedings by the Bank in any other jurisdiction (whether concurrently or not) if and to the extent permitted by Applicable Law.
- (c) The Bank shall be entitled to refer the dispute to the Debts Recovery Tribunal under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 and shall also be entitled to enforce the Security under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), where applicable
- (d) The Borrower hereby confirms that where the applicable jurisdiction is not the Debt Recovery Tribunal under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, in such event, the disputes, differences, claims between the Parties hereto arising out of this Agreement, the same shall be referred to the sole arbitrator duly appointed by the Bank. The arbitration shall be held in accordance with the Arbitration and Conciliation Act 1996. The arbitration place shall be at Bangalore. The language to be used in the arbitral proceedings shall be English. The arbitration award shall be final and binding on all of the Parties.

26. AMENDMENT

No provision of this Agreement may be amended or waived except by written agreement between the Parties.

27. COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, which has the same effect as if the signatures on the counterparts were on a single copy of such Finance Document.

28. APPLICATION OF MONEYS

If any sum paid or recovered pursuant to any Finance Document is less than the amount due, the Bank may apply such sum to principal, interest, fees or any other amount due under any Finance Document and in such proportion, order and manner as the Bank may in its sole discretion determine.

29. REMEDIES AND WAIVERS; CONTINUING OBLIGATION

- (a) No failure to exercise, nor any delay in exercising, on the part of the Bank, any right or remedy under the Finance Documents will operate as a waiver, nor will any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement and the other Finance Documents are cumulative and not exclusive of any rights or remedies provided by Applicable Law.
- (b) The Borrower's obligations hereunder will remain in full force and shall not be affected, impaired, diminished or extinguished by any act, omission, default, matter or thing (including anything which, but for this Clause 29, would have discharged the Borrower (wholly or in part) or would have afforded the Borrower any legal or equitable defence) except the full, prompt and complete performance of all the terms, undertakings and conditions of the Finance Documents, including the due and punctual payment of all amounts that may become due to the Bank under the Finance Documents.

[Intentionally left blank]

**SCHEDULE 1
COMMERCIAL TERMS AND CONDITIONS**

SL	Particulars of the credit facility	Over Draft Facility	Term Loan facility
1	Borrower/s		
2	Constitution of the Borrower	<input type="checkbox"/> Individual <input type="checkbox"/> Company	<input type="checkbox"/> Proprietorship Firm <input type="checkbox"/> Partnership Firm <input type="checkbox"/> _____
3	Guarantor/Co-Borrower/s		
4	Credit Facility Amount		
5	Purpose		
6	Tenure	____ months	____ months
7	Rate of interest	Fixed Rate- _____ %p.a.	Your rate is ___% p.a. fixed rate of interest for a period of 39 months. Post the fixed tenor the applicable rate will be TBLR + Margin Spread (___% p.a.) for the rest of the tenure.
8	Reset Frequency on floating rate	Annually or periodically as may be decided by the Bank from time to time.	Quarterly on the floating rate.
9	Repayment		The Facility shall be repaid in __ equated monthly instalments (EMI) payable on 3 rd of every month provided date of first due will not be less than one month after the disbursement Repayment of EMI's to be initiated through: <input type="checkbox"/> NACH <input type="checkbox"/> STANDING <i>Broken Period / Pre-EMI Interest (As Applicable at the time of actual Disbursement)</i>
10	Mode of availing OD / TL Disbursement	Limit is fixed and the customer can draw as per his requirements in Account NO. _____.	
11	Processing Fees	An upfront processing fee of ___% + applicable taxes, shall be chargeable on the total exposure. The processing fee is payable in full upon acceptance of this sanction letter and is non-refundable (<i>including in case the Facility is not drawn down for any reason whatsoever</i>).	
12	Default Interest	1. Overline Charges 24% p.a. 2. Commitment Charges __ <i>If OD is utilized less than 50% then "Commitment Fees" will be levied and the existing OD will be converted to Dropline OD payable every quarter/half yearly.</i>	Default interest at the rate of 24% per annum (over the Interest Rate) shall be payable by the Borrower upon occurrence of any event of default.
13	Prepayment		No prepayment permitted before completion of 6 months.

14	Prepayment premium		In case of any prepayment under the facility, a prepayment premium at the rate of 5% of the amount prepaid will be payable by the Borrower prior to any prepayment under the facility.
16	Part payment	<ol style="list-style-type: none"> 1. Part payment allowed only two times during the period of one year. 2. Part payment not to exceed 20% of the balance outstanding in the amount. 3. Part payment up to 20% shall be charged at 2.5%+GST of the amount paid. <p><i>Any payment beyond 20% shall be treated as prepayment and charged accordingly.</i></p>	
17	Instrument return charges	Rs.300 + Applicable GST	
18	Administrative fee/stamp duty/other charges	All charges paid/payable by the Bank, in connection with valuation of assets/collateral, obtainment of legal opinion, stamp duty for documentation/all other charges related to availment of credit facilities and perfection of security, charge creation/ROC etc., have to be borne by the Borrower. Total charges : Rs. ___/-	
19	Special Conditions		
20	Existing Loan details		Loan No. _____ Disbursed amount Rs. _____ Outstanding amount Rs. _____
21	Insurance Opted (Y/N)	<input type="checkbox"/> Life Insurance <input type="checkbox"/> Property Insurance	
24	Right to withhold disbursement	The Bank reserves the right to withhold disbursements if, in its opinion (a) there occurs any event that is materially adverse or affects the viability of the Borrower to repay the Facility or (b) if any event of default with any other banks / Banks of the Borrower occurs.	
25	Limit Cancellation clause	The sanction shall stand revoked and cancelled if:- <ol style="list-style-type: none"> 1. There is any material adverse change in the opinion of the Bank on the basis of which the loan has in principle, been sanctioned. 2. Any material fact concerning borrower income, employment or ability to repay, or any other relevant aspect of the proposal for the loan is suppressed, concealed or not made known to the Bank. 3. Any statement made in the application or otherwise is found to be misleading, incorrect or untrue. 4. Unsatisfactory track record in respect of any other finance facility availed by the Borrower/s. 	
27	Security (Movable/Immovable)	The Facility will be secured by: (a) (b)	
28	Validity of acceptance	This sanction letter is required to be accepted by the Borrower within 30 days from the date of its issue.	
29	Charges on low churning		
30	Commitment charges		
31	Overline Charges		

**SCHEDULE 2
DEFINITIONS**

- (1) "**Affiliate**" means, in relation to a person, its subsidiary, its holding company, or any other subsidiary of that holding company (including the head office and any branch of such person in any jurisdiction).
- (2) "**Applicable Law**" means and includes any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, approval, directive, guideline, direction, policy, requirement, or other governmental restriction or any similar form of decision, or determination, or any interpretation or administration of any of the foregoing, by any Governmental Authority whether in effect as of the Effective Date or thereafter and in each case as amended from time to time.
- (3) "**Availability Period**" means the availability period set out in Schedule 1.
- (4) "**Business Day**" means a day on which banks are open in the normal course of business in India, and days which is not a Sunday or a public holiday for the purposes of Section 25 of the Negotiable Instruments Act, 1881.
- (5) "**CIBIL**" means TransUnion CIBIL Limited.
- (6) "**Control**" has the meaning given to it under the Companies Act, 2013.
- (7) "**Deed of Hypothecation**" means the unattested deed of hypothecation executed on or around the date of this Agreement by the Borrower in favour of the Bank for, *inter alia*, creating Security over the Hypothecated Assets.
- (8) "**Default**" means any event, act, omission or condition which is or which amounts to non-compliance of any of the obligations under this Agreement or any other Finance Document and which with notice, lapse of time or both or the fulfilment of any other requirement provided for in this Agreement or any other Finance Document would become an Event of Default.
- (9) "**Default Interest**" has the meaning given to it in Clause 8.
- (10) "**Default Interest Rate**" means the default interest rate specified in Schedule 1.
- (11) "**Demand Promissory Note**" means the demand promissory note delivered by the Borrower in the form set out in Part A Schedule 5.
- (12) "**Drawdown**" means a drawdown or disbursement under the Facility.
- (13) "**Drawdown Request**" has the meaning given to it in Clause 3(b).
- (14) "**Due Date**" means any date on which any amount is due and payable by the Borrower to the Bank pursuant to the Finance Documents.
- (15) "**Encumbrance**" means any Security, quasi-security, non-disposal arrangement, claim, option, power of sale in favour of a third party, retention of title, lock-in, vendor's lien, right of pre-emption, right of first refusal or other third party right or security interest (whether arising under law or by agreement) or an agreement, arrangement or obligation to create any of the foregoing.
- (16) "**Event of Default**" means the occurrence of any one or more of the events or circumstances specified in Clause 15 of this Agreement.
- (17) "**Finance/ Facility Documents**" means this Agreement, sanction letter/term sheet, the Deed of Hypothecation, each Guarantee and/or security documents including all documents creating a Security in favour of the Bank and any other document, deed, declaration or any other instrument or declaration, entered into pursuant to this Agreement.
- (18) "**Final Maturity Date**" means the date set out in in Schedule 1.
- (19) "**Final Settlement Date**" means the date on which all obligations of the Borrower have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Bank.
- (20) "**Financial Indebtedness**" means any indebtedness for or in respect of:

- (a) moneys borrowed;
 - (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;
 - (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, facility, loan stock or any similar instrument;
 - (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the generally accepted accounting principles, be treated as a finance or capital lease;
 - (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
 - (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
 - (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
 - (h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee;
 - (i) any obligation under any put option in respect of any securities;
 - (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
 - (k) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.
- (21) "**Governmental Authority**" includes the government of India or the government of any state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower, if applicable) or regulatory body exercising statutory powers under any Applicable Law or any of their subdivisions, or any court, tribunal or judicial body within India.
- (22) "**Guarantor(s)**" means the person(s) set out in Schedule 1.
- (23) "**Hypothecated Assets**" has the meaning given to it in the Deed of Hypothecation.
- (24) "**IBC**" means the (Indian) Insolvency and Bankruptcy Code, 2016, read with any rules and regulations made thereunder, each as may amended, and in force from time to time and as specified or modified from time to time.
- (25) "**Indirect Tax**" means any means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.
- (26) "**Information Utility**" has the meaning given to it in the IBC.
- (27) "**Initial Security Creation Date**" means the date occurring on the expiry of a period of 30 days from the date of the first Drawdown.
- (28) "**Interest Period**" means the period set out in Schedule 1.
- (29) "**Interest Rate**" means the interest rate set out in Schedule 1.
- (30) "**Loans**" means, collectively, all instances of any financial assistance provided/to be provided by the Borrower to the Obligors, each of which is classified, at all times until the Final Settlement Date, as a "standard"/"performing loan" in the books of the Borrower, and "**Loan**" shall be construed accordingly.

- (31) "**Loan Agreements**" means, collectively, all agreements (as amended, modified and supplemented from time to time) entered into or to be entered into between the Borrower and the Obligors setting out the terms and conditions on which the Borrower has agreed to provide the Loans, and "**Loan Agreement**" shall be construed accordingly.
- (32) "**Loan Documents**" means:
- (a) the Loan Agreements; and
 - (b) all agreements, instruments, undertaking, indentures, deeds and writings and other documents (whether financing or security) executed or entered into by the Obligors and the Borrower in relation, or pertaining to, the transactions contemplated by, or under, the Loan Agreements.
- (33) "**Location of Dispute Resolution**" means the location set out in Schedule 1.
- (34) "**Material Adverse Effect**" means an effect or a change, which in the opinion of the Bank, is or is reasonably likely to be adverse to:
- (a) the business, operations, assets, condition (financial or otherwise) or prospects of the Borrower or the Guarantor(s) (if any);
 - (b) the ability of the Borrower or the Guarantor(s) (if any) to enter into, perform or comply with its obligations under any Finance Document;
 - (c) the validity, legality or enforceability of, or the rights or remedies of the Bank under any Finance Document; or
 - (d) the validity, legality or enforceability of any Security expressed to be created pursuant to any Finance Document or on the priority and ranking of any of such Security.
- (35) "**Obligors**" means a person who has availed or will avail of a Loan from the Borrower under the terms and conditions set out in the respective Loan Agreement entered/to be entered into between such person and the Borrower, and who is liable to pay the amounts due to the Borrower, and "**Obligors**" shall mean all such persons collectively.
- (36) "**Party**" means a party to this Agreement, and "**Parties**" shall be construed accordingly.
- (37) "**Portfolio**" has the meaning given to it in Schedule 1.
- (38) "**Prepayment Premium**" means the prepayment premium set out in Schedule 1.
- (39) "**Purpose**" has the meaning given to it in Schedule 1.
- (40) "**Rating Downgrade**" means any downgrade in the long term rating of the Borrower by 2 (two) or more notches below its rating as of the Effective Date.
- (41) "**RBI**" means the Reserve Bank of India.
- (42) "**Secured Obligations**" means the aggregate of all obligations of the Borrower to pay, repay or reimburse, as the case may be, the principal amounts of each Drawdown, interest, Default Interest, break costs, additional interest, Prepayment Premium, all costs and charges and other amounts owing by, and all other present and future obligations and liabilities of the Borrower to the Bank under the Facility Agreement and the Finance Documents, all costs, charges and expenses including but not limited to the legal expenses and costs of preserving security interest or enforcement thereof, incurred by the Bank under Finance Documents.
- (43) "**Security**" means a mortgage, hypothecation, charge, pledge, lien, contractual comfort (including a guarantee) or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
- (44) "**Security Cover**" has the meaning given to it in Schedule 1.
- (45) "**Security Creation Dates**" means collectively, the Initial Security Creation date and each Subsequent Security Creation Date, and "**Security Creation Date**" shall be construed accordingly.

- (46) **"Subsequent Security Creation Dates"** means the dates occurring on the expiry of a period of 30 days from the date of each Drawdown (excluding the first Drawdown), and **"Subsequent Security Creation Date"** shall be construed accordingly.
- (47) **"Tax"** means any tax, levy, impost, duty (including stamp duty, registration duty or charges or any other similar charges) or other charge or withholding of a similar nature (including any related penalty or interest).
- (48) **"Treasury Bill Benchmark linked Lending Rate" (TBLR)** means reference rate for variable interest rate loans which is linked to Government of India Treasury Bill benchmark rate published by the Financial Benchmarks India Pvt. Limited (FBIL) or any other benchmark administrator (as designated by the Reserve Bank of India) from time to time. The TBLR as arrived at above will be published by the Bank and shall act as the reference rate for determining the applicable Rate of Interest payable on the Loan.
- (49) **"Overdraft Credit Facility"** shall mean the amount of the overdraft facility provided by the Bank to the Borrower pursuant to this Agreement, which may include either Drop Down Overdraft Facility wherein the amount of facility shall be reduced every year or Fixed Overdraft Facility wherein the amount of facility shall remain fixed till the end of the tenure of this Agreement unless changed by the Bank as agreed in this Agreement and overdraft facility granted by the Bank in terms of this Agreement shall be secured by the property.

**SCHEDULE 3
FORM OF DRAWDOWN REQUEST**

[On the letterhead of the Borrower]

DRAWDOWN REQUEST

TO:

JANA SMALL FINANCE BANK LIMITED
The Fairway Business Park,
#10/1, 11/2, 12/2B,
Off Domlur Koramangala Inner Rg Road
Next to EGL, Challaghatta,
Bangalore, Karnataka - 560071

Dear Sirs,

RE: Facility Agreement dated [__] (the "**Facility Agreement**") - Drawdown Request

- (1) We refer to the Facility Agreement.
- (2) We request the Bank to kindly disburse the amounts specified below in the manner provided below:

Amount	INR ____ [Indian Rupees _____ only]
Date of Proposed Drawdown	<i>[insert date]</i>
Name of Beneficiary	[]
Bank Name	[]
Account Number	[]
Branch	[]
IFSC Code	[]

- (3) We confirm that:
 - (a) all fee and expenses in relation to the Facility have been paid;
 - (b) all representations and warranties of the Borrower and the other parties contained in the Finance Documents, are true, complete and correct in all material respects;
 - (c) no Event of Default or any Material Adverse Effect has occurred or is likely to occur; and
 - (d) we have complied with the provisions of this Agreement which are required to be complied with prior to the aforesaid Drawdown and we confirm that the said amounts shall be utilized only for the Purpose.

Capitalised terms used herein and not otherwise defined have the meanings given to them in the Facility Agreement. This Drawdown Request is irrevocable.

Yours faithfully

.....

Authorised Signatory for

**SCHEDULE 4
PART A
CONDITIONS PRECEDENT**

The following conditions precedent will be complied by the Borrower prior to the first Drawdown under the Facility, including but not limited to:

- (a) Duly executed originals of this Agreement and each other Finance Document.
- (b) The certified true copies of the memorandum of association and the articles of association of the Borrower.
- (c) The certified true copy of the board resolutions of the Borrower approving the terms of, and the transactions contemplated by, the Finance Documents and authorising the person to *inter alia*, execute the Finance Documents.
- (d) A copy of the specimen signature of each person authorised under the resolutions set out in (c) above.
- (e) A certified true copy of the special resolutions passed in the meeting of the shareholders authorising the Borrower to avail Facility and to create Security over their respective assets, in accordance with Sections 180(1)(a) and 180(1)(c) (to the extent applicable) of the Companies Act, 2013 OR If so required, a certificate of an independent chartered accountant/company secretary confirming that the provisions of Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013 are not applicable to the Borrower.
- (f) A certified true copy of the special resolutions passed in the meeting of the shareholders of the Borrower pursuant to Section 62(3) of the Companies Act, 2013.
- (g) Completion of all "know your customer" (or similar requirements) checks prescribed by the Bank in respect of the Borrower and the Guarantor(s).
- (h) Certified true copies of the "director identification number" and all documents in respect of "know your customer" checks of each director of the Borrower.
- (i) If so required, a certificate of an authorised signatory of the Borrower certifying *inter alia* that:
 - (i) each copy document provided pursuant to this Agreement and the other Finance Documents is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement;
 - (ii) no Bank of the Borrower (and/or the Guarantor(s) (if any)) has declared (whether as of the date hereof or at any time previously) the Borrower (and/or the Guarantor(s)) a non-performing asset;
 - (iii) neither the Borrower nor the Guarantor(s) (if any) or any of their directors or promoters are on the RBI's willful defaulter list;
 - (iv) no Default has occurred or is continuing;
 - (v) the Borrower (and/or the Guarantor(s) (if any)) does not have any outstanding income-tax claims;
 - (vi) the borrowing, guaranteeing, securing, as appropriate, the Secured Obligations, would not cause any borrowing, securing, collateralising or similar limit binding on it to be exceeded (including any limits imposed under any resolution passed by its shareholders);
 - (vii) no event or circumstance has occurred that could be expected to have a Material Adverse Effect;
 - (viii) the Facility shall be utilized only for the Purpose set out in this Agreement;
 - (ix) no consent of any Bank of the Borrower or any third party or any Governmental Authority is required for the availing of the Facility from the Bank.
- (j) If so required, a copy of the certificate from the statutory auditors/chartered accountants of the

Borrower certifying that the availing of the Facility by the Borrower will not cause any borrowing or any other similar limit binding on such Borrower to be exceeded.

- (k) If so required, a copy of a certificate from the statutory auditor or a chartered accountant in the form prescribed by the Bank (i) confirming that the Borrower (and the Guarantor(s) (if any)) does not have any Tax dues, including for the purposes of Section 281 of the Income Tax Act, 1961, and (ii) disclosing all disputed Tax liabilities of the Borrower/Guarantor(s).
- (l) If so required, the Borrower shall provide a certificate from its company secretary/chartered accountant, containing such other confirmations as are required by the Bank (including those required under Applicable Law).
- (m) If so required by the Bank, the Borrower shall make an application to the relevant income tax authority under Section 281 of the Income Tax Act, 1961, in respect of the Security to be created under the Finance Documents, and procure an acknowledged copy of the same from the concerned department and furnish it to the Bank.
- (n) If so required by the Bank, a net worth certificate in respect of the Guarantor(s).
- (o) A confirmation from the Borrower that the Facility shall be utilized only for the Purpose set out in this Agreement.
- (p) If so required, copies of consents/"no-objection certificates" from all existing Banks/creditors of the Borrower required for the Borrower to avail the Facility and create the Security under the Finance Documents.
- (q) A certified copy of the financial statements of the Borrower for the previous 3 years.
- (r) Evidence of payment of all fee and expenses related to the availing of the Facility, including but not limited to the processing fee.
- (s) A copy of any other authorisation or document, opinion or assurance which the Bank considers to be necessary or desirable in connection with the Facility or the entry into and performance of the transactions contemplated by any Finance Document or for the validity or enforceability of any Finance Document or for the perfection of any Security created pursuant to the Finance Documents.

SCHEDULE 4
PART B
CONDITIONS SUBSEQUENT

- (a) Within 30 (thirty) calendar days from each instance of creation of charge/ mortgage pursuant to the Deed of Hypothecation/Mortgage, evidence of filing of the requisite forms with the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest and/or any Governmental Authority (to the extent applicable) for the purpose reporting of the creation of, and perfection of, the charge on the Hypothecated/Mortgaged Assets/Property.
- (b) If so required by the Bank, within such period as may be specified by the Bank, a copy of the no-objection certificate from the Tax authorities under Section 281 of the Income Tax Act, 1961 in respect of the Security created pursuant to the Finance Documents.
- (c) If so required by the Bank, within 30 Business Days from the date of each drawdown under the Facility, a certificate from a chartered accountant/auditor certifying the end use of the proceeds of the Facility.

SCHEDULE 5
FORMAT OF DEMAND PROMISSORY NOTE AND LETTER OF CONTINUITY AND WAIVER LETTER

PART A
DEMAND PROMISSORY NOTE

INR _____ /- [Indian Rupees _____ only]

ON DEMAND We, _____ (the "**Borrower**"), promise to pay to **JANA SMALL FINANCE BANK LIMITED Bank** the sum of INR []/- [Indian Rupees _____ only] together with interest from the date hereof, at the rate of _____ % per annum (pursuant to the terms of the Facility Agreement dated []), payable with monthly rests, for value received.

Presentment for payment and noting and protest of this note are hereby unconditionally waived.

Amount in Rupees-
Amount in Word- Rupees _____ only)

Revenue Stamp of Re. 1/- to be affixed (Signature across Revenue Stamp by Borrower/Co- Borrower)

NAME AND SIGNATURE OF BORROWER/CO-BORROWER

Date: []

Place: []

**SCHEDULE 5
PART B
LETTER OF CONTINUITY AND WAIVER LETTER**

TO:

JANA SMALL FINANCE BANK LIMITED

The Fairway Business Park

#10/1, 11/2, 12/2B

Off Domlur Koramangala Inner Rg Road

Next to EGL, Challaghatta

Bangalore, Karnataka - 560071, India

Dear Sirs,

Date: []

Place: []

We refer to the demand promissory note for INR _____ /- (Indian Rupees _____ only) dated [] ("**DPN**") signed and delivered by us to you, as security for the repayment of the term loan and overdraft facility up to INR _____ /- (Indian Rupees _____ only) availed by us pursuant to the facility agreement dated [] ("**Facility Agreement**"), which are presently outstanding, and also for the repayment of any further amounts, which we may avail hereafter from you. We hereby irrevocably and unconditionally agree, confirm and undertake that:

1. the DPN shall operate as continuing security to you to be enforceable for the repayment of the ultimate balance and/or all sums remaining unpaid under the Facility now or hereafter, including all interest, Default Interest, costs and charged that become payable in respect of or under the Facility or which may in future be advanced to us by you; and
2. we will remain liable under the DPN notwithstanding payment made in connection with the Facility from time to time or the amounts due under the Facility being reduced or extinguished from time to time.

Further, we hereby waive our rights of the presentment of the DPN. Capitalized terms used herein but not defined shall have the meanings given to them in the Facility Agreement.

In witness whereof this letter of continuity has been signed and delivered by us on the date hereinabove mentioned.

Name of Borrower/ Co-Borrower	Signature
For and behalf of Borrower (In case of Company)	

**SCHEDULE 6
REPAYMENT SCHEDULE**

Month-wise Repayment Schedule Communicated separately shall form part and parcel of this agreement

SIGNATURE PAGE

IN WITNESS WHEREOF the Parties hereto have caused these presents to be executed in the manner hereinabove appearing:

SIGNED AND DELIVERED by)
)
the within named **Borrower**)
by the hand of, its Authorised Signatory)

)
SIGNED AND DELIVERED by)
JANA SMALL FINANCE BANK LIMITED)
the withinnamed **Bank**)
by the hand of, its Authorised Signatory)
)
)