



**Agreement for
Business Instalment
Loan Between _____
and Deutsche Bank AG, India**

(To be stamped with appropriate stamp duty amount)

This loan agreement ("Agreement") is made at the place and on the date stated in the Schedule attached hereto

BETWEEN

Deutsche Bank AG, a banking company incorporated and existing under the laws of Federal Republic of Germany having its registered office at Taunusanlage 12, D-60325 Frankfurt, and acting through its branch in India mentioned in the Schedule, hereinafter referred to as the "Bank" (which expression shall unless the context otherwise requires, include its successors and assigns) of the "FIRST PART"

AND

The borrower(s) whose name(s) and address(es) are stated in the Schedule and hereinafter referred to as "Borrower", which expression shall unless the context otherwise requires, include in case of an individual or proprietor of sole proprietorship, the heirs, executors and administrators of such individual or proprietor, in case of a company, its successors and assigns and in case of a partnership firm, the partner or partners for the time being of the said firm, the survivors or survivor of them and the heirs, executors and administrators of such partners of the Other Part:

WHEREAS the Bank is engaged in banking business in India.

AND WHEREAS the Borrower has requested the Bank to provide a Business Instalment Loan (as defined hereunder) for the purpose stated in the Schedule hereto and the Bank has accepted such request on the terms and conditions set out in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH AND THE PARTIES HERETO AGREE AS FOLLOWS: -

Article I – Definitions

1.1. The following definitions apply throughout this Agreement unless the context otherwise requires

"Assets" means in relation to Business Instalment Loan, all present and future stocks, raw materials, goods, bookdebts, and all other movable assets of the Borrower including receivables, documents of title to goods, outstanding monies, bills, invoice documents, contracts, insurance policies, guarantees, engagements, securities, investments and rights and the present machinery listed in Schedule-B hereunder and all the future machinery belonging to or in the possession or control of the Borrower wherever lying, stored and kept and whether in possession of the Borrower or of the Bank or of any third party whether in India or elsewhere including all such goods, other movable assets as may be in the course of shipment, transit or delivery and all the machinery, and other equipment items of whatever nature acquired by the Borrower pursuant or subsequent to these presents hereby agreed to be furnished and/ or any other movable, offered or caused to be offered as security/ secured in favour of the Bank by the Borrower for the due repayment of the Loan including all interest/ commission, cost, charges, expenses in respect thereof, granted/ to be granted by the Bank.

"Branch" means the branch of the Bank situated at the place specified in the Schedule through which the Loan is disbursed and shall include any other branch where the Loan account is maintained or transferred to any time at the sole discretion of the Bank.

"Deed of Hypothecation" means the deed executed by the Borrowers in the format annexed hereto.

"EMI" or "Equated Monthly Instalment" shall mean the amount of monthly payment necessary to amortise the Loan with interest, over the tenure of the Loan. EMI amount shall incorporate repayment of principal and payment of interest calculated on the basis of the Interest Rate, periodicity of compounding, periodicity of repayment, periodicity of effecting credits in the account so as to aim repayment of the entire liability under the Loan at the end of its tenure.

"Fixed Rate" means the rate of interest applicable on the Loan, which is subject to review by the Bank after a fixed period as specified in the Schedule.

"Flexi Rate" means interest at the rate specified in the Schedule, where a part of the total Loan is on a Fixed Rate and the remaining is on Floating Rate, chosen by the Borrower, in the application form and correction specified in the Schedule.

"Floating Rate" shall mean the applicable interest rate announced by the Bank as per the EBTL to the Loan with a spread, if any, as may be decided by the Bank from time to time as specified in the Schedule.

"GMOP" means the Guarantee and Memorandum of Pledge to be executed by the Borrower (s) or Pledgor in the form annexed hereto as Annexure-1.

"Guarantee" means the guarantee to be provided by the Guarantor to the Lender in a form and manner satisfactory to the Lender.

"Guarantor" an individual/ entity who promises to pay the debt borrowed by the Borrower on the event of default and has executed a separate Personal Guarantee/ Corporate Guarantee accepting the terms and conditions of this Agreement.

"Interest Rate" means the rate at which the Bank shall compute and apply interest on the Loan, being either Fixed Rate, Floating Rate or Flexi Rate as specified in the Schedule or as may be amended from time to time by the Bank. The Interest Rate shall be linked to EBTL.

"EBTL" means 3-Month Treasury Bill Rate published by the Financial Benchmarks India Private Limited (FBIL), reference rate for lending to be charged in accordance with Reserve Bank of India's circular DBR.DIR.BC.No. 14/13.03.00/2019-20 dated September 4 2019, as amended from time to time.

In addition, the Bank shall also charge a spread over the EBTL in such manner and subject to such criteria, as it deems fit on case to case basis.

Signature of the Borrower and the Guarantor(s)

"Penal Charges" means charges levied by the Bank and payable by the Borrower on account of; (i) delay in repayment of EMIs, (ii) non-submission of valid repayment instructions (iii) delay in submission of property insurance policies and (iv) delay in creation of ROC charge, where applicable, or any other category as specified in the schedule of charges and payable at the rate as specified in the schedule of charges published on the Bank's website.

"Pledgor" means shall mean the Borrower in case the Security has been created by the Borrower or any third party who has provided the Security for the purpose of securing the loan under this Agreement.

"Prepayment" means premature repayment of the Loan in full by the Borrower ahead of the repayment tenure specified in the Schedule.

"Prepayment Charges" means charges levied by the Bank for prepayment, as specified in the Schedule.

"Security" means any pledge, lien, charge, assignment, hypothecation, guarantee, or security interest or any other agreement or arrangement having a similar effect.

"Security Documents" means:

- (a) the Guarantee; and/ or
- (b) the letter of continuity issued by the Borrowers; and/ or
- (c) Deed of Hypothecation; and/ or
- (d) Guarantee and Memorandum of Pledge; and/ or
- (f) any other document evidencing or creating a Security over any asset of the Borrowers to secure any obligation of the Borrowers to the Lender under this Agreement.

"Secured Assets" means the Assets in respect of which the Borrower(s) has/ have created a charge in favour of the Bank for securing the Loan.

"Schedule" means the Schedule annexed to this Agreement, or any amendments replacements thereto. Such an annexed Schedule shall supersede the fees, rates and charges stated in the Schedule to this Agreement.

"Loan" means a term loan facility made available to the Borrower by the Bank under this Agreement.

1.2. In this Agreement unless the context otherwise requires

- i) Reference to Articles are to be construed as references to the Articles of this Agreement and references to Schedules are to be construed as references to the Schedule to this Agreement and any supplementary or additional Schedule, from time to time executed by the parties and references to this Agreement include references to all such Schedules attached from time to time;
- ii) References to a person shall be construed as including references to an individual, firm, the Bank or other body, whether incorporated or not;
- iii) References to a "business day" shall be construed as a reference to a day (other than a Public Holiday or Sunday) on which Banks are generally open for business in the place of execution of this Agreement specified in the Schedule; and
- iv) Words importing the plural include the singular and vice-versa.

1.3. Article Headings are inserted for sake of convenience only and shall not affect the interpretation of the provision thereof.

Article II Loan, Interest, etc.

2.1. **Amount of Loan** Relying on the representations, covenants and undertaking of the Borrower set forth herein the Bank, agrees to lend to the Borrower a sum stated in the Schedule to this Agreement.

2.2. **Purpose of Loan** The purpose of the loan is stated in the Schedule hereto.

2.3. **Interest.** The Interest Rate applicable on the Loan shall be stated in the Schedule hereto unless varied in terms of this Agreement. Interest on the Loan shall begin to accrue and become payable from the date of disbursement of the Loan signified by issuance of disbursement pay order/ demand draft or otherwise, without the Bank concerning itself with the receipt of such disbursement by the beneficiary/ recipient and also with the realisation of such Pay order/ Demand Draft or the time taken in such realisation.

2.4. **Computation of Interest.** Interest on the Loan shall be computed and debited to the Loan account :-

- i) on the day mentioned in the Schedule;
- ii) Taking the basis of number of days in the year (365 or 366 as the case may be) and calculated at monthly rests; and
- iii) At the Interest Rate stated in the Schedule or as may be revised by the Bank from time to time.

The Floating Rate shall be reviewed by the Bank from time to time on the Interest Rate reset dates mentioned in the Schedule. In case of Floating Rate, upon any change in Interest Rate or if the Borrower makes prepayment, then either the EMI or loan tenure will change, at the discretion of the Bank.

2.5. Security

The loan hereby granted shall be secured by the Borrower(s) by execution of the following documents;

- i) GMOP;
- ii) Deed of Hypothecation;
- iii) Guarantee;
- iv) Letter of Continuity;

Signature of the Borrower and the Guarantor(s)

2.6. Taxes

The Borrower hereby agrees to comply with the below stated tax related conditions (below tax clauses are applicable to client in India)

Direct Taxes

(i) All Deutsche Bank A.G. branches in India (hereinafter referred to as 'DBAG India/' 'DB') hold annual withholding tax ('WHT') exemption certificate, issued by the Indian Revenue Authorities (IRA) under section 195(3) of the Income Tax Act, 1961. The WHT exemption certificate is applicable to all sums received by DBAG India only on its own account and not on the account of any Deutsche Bank Branch outside India. It is hereby confirmed that the amounts received/ receivable by DBAG India under this agreement/ letter is on account of DBAG India/ DB. The WHT exemption certificate entitles DBAG India to receive any sum without any deduction of tax at source. In view of the aforesaid the Borrower confirms that it shall not deduct/ withhold tax on payments to DBAG India. A copy of the certificate will be available on request.

(ii) For subsequent year (s), DB would hand over the WHT exemption certificate as soon as it is received from IRA. If such certificate is not received by the Borrower for the subsequent years, the Borrower, before making payment to DB, shall seek requisite clarification from DB on the WHT exemption certificate status and also ask for the copy of the WHT exemption certificate.

In the event DB is unable to provide such renewed WHT exemption certificate to the Borrower the Borrower shall make that Tax deduction and deliver to DB a tax deduction certificate in the format prescribed under the Income Tax Rules, 1962 (Rules) and within the timelines prescribed under the Rules.

Where the amount to be paid by the borrower is recovered by DB through debit to the borrower's bank account with DB, DB will reimburse the borrower the TDS amount that would be deposited by the borrower, once borrower submit the evidence of TDS amount deposited against DBAG's PAN number. In such case borrower to deliver the TDS certificate immediately post uploading the quarterly TDS statement.

(iii) If the Borrower wherever required,

- a) fails to withhold and/ or deposit required tax withheld or
- b) fails to deliver the tax deduction certificate within timelines prescribed under the Income Tax Act, 1961 and Rules there under to DB or
- c) if the credit of taxes withheld is not appearing online to the credit of DB on the relevant official website of the tax department, the Borrower shall correct this within 30 days from the date of intimation by DB.

(iv) In case the failure as per above clause (iii) is not corrected by the Borrower within 30 days, the Borrower shall, forthwith on demand from DB or within the timelines as agreed between the parties to this Agreement, promptly indemnify DB against the loss, charge, expense, penalty along with interest incurred or to be incurred by DB in connection therewith.

(v) The Permanent Account Number (PAN) of DB is AAACD1390F.

Indirect Taxes

(i) All amounts (including but not limited to break cost, processing fee or any other fee and expenses including out of pocket expenses reimbursable to DB) due to DB from the Borrower shall be deemed to be exclusive of any Indirect Tax.

(ii) If any Indirect Tax is applicable on the supply by DB to the Borrower under this Agreement/ Letter or if DB is required to make payment of Indirect Tax on such supply, DB shall recover from the Borrower such amount of Indirect Tax along with the amount due under this Agreement/ Letter through issuance of a Tax Invoice/ Debit Note and the Borrower shall pay DB such Indirect Tax over and above the amount due to DB, referred at (i) above.

(iii) DB would issue credit note in case of any downward revision in value or other changes as allowed under GST law. Separately, in case borrower identifies any specific points which require an issue of credit note as permitted under GST law, borrower would need to inform DB on or before September of the next financial year to which the invoice pertains as per timelines provided under GST law.

(iv) The Borrower undertakes to provide GSTIN, the address to which Tax Invoice is to be issued, GSTIN certificate and such other information/ documents, as may be required by DB, to adhere to statutory compliances as applicable under Tax Law for issuing Tax Invoice. DB shall not be responsible for verification of GSTIN provided by the Borrower. In case the details provided by the Borrower are incorrect owing to which DB is again required to deposit tax, along interest or penalty (considering the correct GSTIN), then, DB will recover such tax, interest, and penalty from borrower to deposit the same to proper GST authority along with applicable GST.

(v) If the Borrower fails to provide the GSTIN to DB before the Tax Invoice is issued, the Borrower shall be treated as 'unregistered' and no adjustment pertaining to Tax Invoice already issued will be carried out subsequently. GSTIN provided by Client will be considered only for the invoices issued from the date of provision of GSTIN by Client.

(vi) Both parties acknowledge and agree that in the event of any enquiry, scrutiny, audit, assessment or any other proceedings initiated by Tax authorities, both parties shall fully co-operate with each other by furnishing the relevant information related to the service provided under this Agreement in reasonable time, as may be required by any of the party.

"Tax" means all forms of present and future taxes, including but not limited to (1) Direct Taxes on income including tax deducted at source (referred to as TDS or WHT) and (2) Indirect Tax which includes Goods and Service Tax (GST) or any other tax of similar nature and any interest, additional taxation, penalty, surcharge or fine in connection therewith and "Taxes" shall be construed accordingly.

"Tax Laws" means the prevalent Tax laws and rules thereunder, or any amendments thereto, in India at the Central, State or Municipal/ local level.

Signature of the Borrower and the Guarantor(s)

2.7. Fees, Charges, Costs and Claims

All fees, charges and costs including administrative fees, transaction fees, charges towards issuance of duplicate statement/s, etc. payable in connection with the loan and as specified in the Schedule shall be to the Borrower's account. The other Bank's standard schedule of charges shall be reimbursable by the Borrower to the Bank separately. The Bank, reserves the right to fees, charges etc and such revision shall be communicated to the Borrower. Such revised fees, charges and costs shall be communicated in the Bank's standard schedule of charges displayed on the Bank's website and at branches of the Bank and the same shall be applicable from the effective date mentioned therein.

2.8. Penal Charges

The Bank will be entitled to recover the Penal Charges together with taxes as applicable. The Bank shall not charge any interest on the Penal Charges payable, however the Bank shall be entitled to recover from the Borrower/ Pledgor/ Guarantor, Penal Charges whenever due either as part of the repayment or separately. No notice, reminder or intimation shall be given to the Borrower/ Pledgor/ Guarantor in this regard.

2.9. Revision in Interest Rate

The Bank, may, in its sole discretion in keeping with its internal policies or regulatory requirements), revise the Interest Rate and Penal Charges on the Loan, after notifying the Borrower. Revision in Interest Rates shall be prospectively applicable.

2.10. Mode of Disbursement and Disbursement Schedule

The Bank may disburse the Loan either in lump sum or in suitable instalment as decided by the Bank with reference to the need or progress of construction, which decision shall be final and binding on the Borrower.

Loan funds will be disbursed based on the borrower's instructions given through the disbursal request letter that forms a part of this agreement, unless otherwise agreed mutually between the bank and the borrower in writing.

- Loan funds will be disbursed to the borrower's account or to a designated third party as advised by the borrower, subject to client meeting bank's internal and regulatory norms.
- For the purchase of an asset, the loan amount will be disbursed directly to the property seller, builder, developer, or any other authority involved in the asset purchase.
- In the case of a loan takeover from another financial institution or for closure of existing loan with (Deutsche) bank, the loan funds will be disbursed directly to the financier.
- For under-construction properties, the disbursal will be linked to the stage of construction as evaluated by the bank or its authorised agents and will be in line with the bank's credit policy.
- The remaining balance (if any) will be disbursed to the borrower or any other entity/ individual once all required documents, including property title papers (where due), have been submitted and all post-disbursal conditions have been met as per the bank's requirements.

The charges in relation to the disbursement (including charges of issuance or collection of proceeds by the beneficiary of such pay order or demand draft) shall be borne by the Borrower. The Bank may, by giving reasonable notice to the Borrower, suspend or cancel further disbursements of the Loan if the Loan amount shall not have been fully drawn within a reasonable time or due to any other reason whatsoever, as deemed fit by the Bank.

2.11. Repayment

The Loan (including the principal, interest thereon and any other charges, premium, fees, taxes levies or other dues payable by the Borrower to the Bank in terms of this Agreement) shall be repayable by the Borrower to the Bank:

- (i) At the Branch (or at any other branch of the Bank or at any other place as may be notified by the Bank);
- (ii) By way of EMI mentioned in the Schedule towards repayment of principal and interest; and
- (iii) By separate repayments in case of:
 - a. Prepayment
 - b. repayment of Loan, fees, charges including Penal Charges, taxes, claims, costs, interest, any other statutory levies or cess or expenses charged to the Loan account.

The Borrower shall issue SI or authorise payment to the Bank through ECS (NACH) approved by the Reserve Bank of India from the bank in which the Borrower has an account with specific instructions to debit the account of the Borrower every month and credit such account as directed by the Bank, for value of the EMI due. All repayments of principal and payment of interest and all other amounts by way of EMI or otherwise shall be given effect to in the Loan account (only upon realisation of cheque/ demand drafts ECS (NACH)/ SI) in accordance with the method of effecting payment as stated in the Schedule or as adopted by the Bank from time to time. If the Borrower(s) desire to swap/ interchange the ECS (NACH)/ SI from one bank to another by any reason whatsoever, the Borrower may with prior written permission of the Bank, do so by paying to the Bank such swap charges as set out in the Schedule or as amended by the Bank from time to time.

2.12. Prepayment

At any time after a period of nine (9) months from the date of disbursement, the Borrower shall be entitled to prepay the Loan, in full, as per rules of the Bank, including as to payment of Prepayment Charges, for the time being in force. If at any time, the Bank receives less than the full amount then due and payable to it under this Agreement, the Bank may allocate and apply the amount received in any way or manner and for such purpose or purposes under this Agreement as the Bank in its sole discretion determines, notwithstanding any instruction that the Borrower may give to the contrary.

Article III
Representations and Warranties

3.1. Representations and Warranties

The Borrower hereby makes the following representations, warranties and undertakings in order to induce the Bank to grant the Loan :

- (i) This Agreement has been duly authorised, executed and delivered by the Borrower and constitutes a valid, binding and enforceable obligation, enforceable against the Borrower in accordance with its terms.
- (ii) The information provided in the Application for the Loan and set out herein is complete and true in all respects.
- (iii) There are no pending claims, demands, litigation or liquidation proceedings against the Borrower which impair or materially affect the ability of the Borrower to perform its obligations under this Agreement.
- (iv) The Loan is required for the purpose stated in the Schedule hereto and the Borrower shall utilise the Loan for such purpose only. The Borrower undertakes to submit requisite proof to the Bank as and when required by it.
- (v) Neither the execution and delivery by the Borrower of this Agreement nor the performance by of the obligations under this Agreement conflicts or shall conflict with or result in any breach of any of the terms, conditions or provisions of, or violate or constitute a default or require any consent under any contract or instrument to which the Borrower is a party or any statute, any applicable laws, rules or regulations or any judgement, decree or order of any court, governmental authority, bureau or agency binding on or applicable to the Borrower or in case of a company/ firm/ body corporate, the constitutional documents of the Borrower.
- (vi) In case of Borrower being a company, it has not taken any corporate action nor have any other steps been taken or legal proceedings been commenced or to the best of its knowledge and belief, threatened against the Borrower for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer in respect of the Borrower or any or all of its assets or revenues.
- (vii) In case of Borrower being a partnership firm, no disputes exist between the partners or between present partners and, legal heirs of deceased partners for, dissolution or accounts of the firm and no proceedings have been commenced against the Borrower or any of its partners for dissolution of the firm or appointment of a receiver or trustee in respect of all or any part of its assets or revenues.
- (viii) The Borrower has exercised due care and caution (including, where necessary, obtaining advice of tax/ legal accounting/ financial/ other professionals) prior to taking of the decision, acting or omitting to act, in respect of availing the Loan.
- (ix) The Borrower represents and warrants that it is not in arrears of any public demand such as income tax, corporate tax and any other such taxes, rates or levies or any other statutory dues payable to any government authority;
- (x) The Borrower (in case of a company) hereby declares and confirms that any of its directors or shareholders or employees are not (i) a director of a banking company, or (ii) relative of a director of the Bank. Further, the Borrower also declares and confirms that none of its directors or shareholders or employees are a "relative" of a "senior officers" of the Bank. The Borrower undertake to promptly inform the Bank upon any of the above declarations becoming untrue (along with the details of the change). The scope of the term 'relative' and 'senior officer' are mentioned below. The term 'banking company' has the meaning given to it under the Banking Regulation Act, 1949.
 - (a) The scope of the term 'relative' will include spouse, father, mother (including step-mother), son (including step-son), son's wife, daughter (including step-daughter), daughter's husband, brother (including step-brother), brother's wife, sister (including step-sister), sister's husband, brother (including step-brother) of the spouse, sister (including step-sister) of the spouse.
 - (b) The term 'Senior Officer' will refer to a) any officer in senior management level in Grade IV and above in a nationalised bank, and b) any officer in equivalent scale in the State Bank of India and associate banks and in any banking company incorporated in India
- (xi) The Borrower irrevocably agrees and expressly consent to the Bank at any time, to disclose to or share with or in any other manner make available to, its head office and any branch , an affiliate entity, associate agent or representative of the Bank, auditors, professional advisors, credit rating agency or any other person to whom the Bank intends to of has transferred or assigned the whole or part of the Loan. If the Borrower defaults in its obligations under any document or instrument related to the Loan, then DB and/ or the RBI will have an unqualified right to disclose or publish the details of such default and the name of the Borrower (including its directors) as the case may be, as defaulters , in such manner and through such medium as DB or the RBI, subject to applicable law, thinks fit.
- (xii) The Borrower hereby agrees, confirms and undertakes that the Bank shall, as it may deem appropriate and necessary, be entitled to disclose all or any information and data relating to the Borrower and/ or the loan to the Credit Information Bureau (India) Limited ("CIBIL") or any other agency so authorised may use and process such information in any manner, subject to applicable law, it may deem fit. If the Borrower defaults in its obligations under any document or instrument related to the Loan, then DB and/ or the the RBI will have an unqualified right to disclose or publish the details of such default and the name of the Borrower (including its directors) as the case may be, as defaulters , in such manner and through such medium as DB or the RBI, subject to applicable law, thinks fit.
- (xiii) The Borrower agrees and undertakes that it shall utilise the Loan only for the purposes specified by the Bank in writing and as permitted under applicable laws, rules, regulations guidelines and circulars issued by regulators time to time ("applicable laws"). For this purpose the Borrower shall, upon a reasonable notice, allow the Bank (or any auditors appointed by the Bank), to audit its book of accounts and other relevant documents as deemed fit by the Bank. The Borrower also recognises that Reserve Bank of India also reserves the right to audit the books of account and other relevant records, of the Borrower to ensure compliances with all applicable laws. The Borrower also undertakes to provide (at its own costs) such certificates and confirmations, either by itself or through its auditors, as required by the Bank from time to time. The Borrower recognises that such steps are necessary for compliance with applicable laws and any demur, delay, protest or failure in complying with these requirements shall result in revocation and recall of the said Loan without any notice.
- (xiv) The Borrower agrees that it or its directors/ partners/ promoters/ guarantors/ Affiliates are not on the caution or defaulter or warning list(s) published by RBI, Securities and Exchange Board of India, any department or instrumentality of Government of India, government (or regulators) of any other sovereign state or international bodies.
- (xv) That the Borrower will procure the requisite no objection certificate to create a first charge over the Assets offered as Security.

Signature of the Borrower and the Guarantor(s)

3.2. Reliance

The Bank has entered into this Agreement in reliance of the representations, warranties and undertakings of the Borrower set out herein. These representations and warranties are true and correct in all material respects on and as of the date of this Agreement and with the same effect shall be repeated on the date of each disbursement of the Loan as if those representations and warranties had been made on and as of the date of this Agreement.

3.3. Indemnification

The Borrower undertakes that, if there is a breach of any of the representations of warranties provided hereunder, then, the Borrower shall indemnify the Bank in respect of any reasonable costs and expenses suffered or incurred by the Bank which arises from the event or circumstance giving rise to any claim for breach of representation or warranty or any representation given by the Borrower to the Bank in the application for the Loan.

3.4. The Borrower and the guarantor will not directly or indirectly use the proceeds of the offering of the securities/ Facility hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity

- i) to fund or facilitate any activities of or business with any individual or entity ("Person") that, at the time of such funding or facilitation, is (collectively, a "Sanction Target"):
 - a) the subject or the target of any sanctions or trade embargos administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council ("UNSC"), the European Union ("EU"), Her Majesty's Treasury ("HMT"), Hong Kong Monetary Authority ("HKMA"), the Monetary Authority of Singapore ("MAS") or any other applicable sanctions regulation, (collectively, "Sanctions"), or
 - b) owned 50% or more by or otherwise controlled by, or acting on behalf of one or more Persons referenced in clause (A) above, or
 - c) located, organised or resident in a country or territory that is the subject or the target of Sanctions (including but not limited to, Iran, North Korea, Sudan, the Crimea region in Ukraine, and Syria) (each, a "Sanctioned Country"),
- ii) to fund or facilitate any activities of or business in any Sanctioned Country, or
- iii) in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as initial purchaser, advisor, investor or otherwise) of Sanctions.

3.5. None of the Borrower, the guarantor or any of their subsidiaries, nor, to the best of their knowledge, any director, officer, employee, agent, controlled affiliate, or other person acting on behalf, at the direction or in the interest of the Borrower, or the guarantor or any of their subsidiaries is a Person that is a Sanction Target.

3.6. None of the Borrower or any guarantor has or intends to have any business operations or other dealings

- i) in any Sanctioned Country, including the Crimea region in Ukraine, Iran, Sudan, North Korea and Syria,
- ii) with any Specially Designated National ("SDN") on OFAC's SDN list or with a designated person targeted by asset freeze sanctions imposed by the UN, EU or HMT or any other applicable sanctions authority.

3.7. The Borrower and the Guarantor has/ have instituted and maintain(s) policies and procedures designed to prevent sanctions violations (by such Issuer and guarantor and their Subsidiaries and by persons associated with such Issuer and guarantor and their Subsidiaries).

3.8. The Borrower and the Guarantor neither know nor have reason to believe that any of them are or may become subject of sanctions-related investigations or juridical proceedings.

3.9. The clauses under [Sanctions-related clauses] apply only if and to the extent that they do not result in a violation of the Council Regulation (EC) No. 2271/96 of 22 November 1996 as amended by Commission Delegated Regulation (EU) 2018/1100 of 6 June 2018, section 7 of the German Foreign Trade Ordinance (Außenwirtschaftsverordnung - AWV) or any other applicable anti-boycott or similar laws or regulations.

3.10. The Borrower agrees that no notice, reminder or intimation shall be given to the Borrower regarding the Borrower's obligation and responsibility to ensure prompt and regular repayment of Loan.

Article IV

Conditions Precedent to Disbursement

4.1. The Bank may not disburse at any time, any amount under the Loan unless the following conditions are complied with in the sole discretion of the Bank:

- (i) This Agreement is duly executed and delivered to the Bank by the Borrower.
- (ii) In case of an individual, the Borrower submits to the satisfaction of the Bank a certificate of employment from his Employer and his Financial Statements.
- (iii) The Borrower submits to the Bank, ECS (NACH)/ SI towards EMIs.
- (iv) The Borrower submits to the Bank any other documents or writing as the Bank may require in its sole discretion.
- (v) The Borrowers, in case of a company/ body corporate/ submits to the Bank certified true copy of the Memorandum and Articles of Association of the Borrower, and certified true copy of resolution passed by its board of directors in a duly convened meeting for obtaining the Loan and authorising person/s to execute all documents in respect thereof, including providing certified specimen signature list of the authorised signatory(ies) of the Borrower. Further, the Borrower submits a certified true copy of the resolution passed by the shareholders of the Borrower under and in accordance with sections 180(1) (a) and 180(1)(c) of the Companies Act, 2013, if required. In case of a firm, the Borrower submits to the Bank an authority letter, authorising one or more partners to avail of the Loan and execute all documents in respect thereof, including providing certified specimen signature/s of such partner/s.
- (vi) No event of default shall have occurred at the date of disbursement of the Loan.
- (vii) The Borrower shall have produced evidence of the utilisation of the Loan or any part disbursement of the Loan.
- (viii) The Borrower shall have produced the Borrower's periodic financial statements.

Signature of the Borrower and the Guarantor(s)

Article V Covenants of the Borrower

5.1. Bank's Rules and Regulations

The Borrower shall comply with and be bound by the Bank's rules and charges, which may change at the Bank's discretion from time to time. Save for manifest error, the Borrower shall accept the statement of account by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any amounts claimed to be due to the Bank under or in relation to the Loan.

5.2. Information Requirement

The Borrower shall provide the following information to the Bank:

- (i) In case the Borrower is a company/ firm/ body corporate, its periodic financial statement (audited or unaudited) or such other financial information about the financial condition of the Borrower as the Bank may require from time to time;
- (ii) In case of individuals, information and documents concerning Borrower's employment, profession, business or utilisation of Loan as the Bank may require from time to time;
- (iii) Information regarding likely change in Borrower's employment/ professional status, address, citizenship or residency status, etc.
- (iv) In case of Borrower being a partnership firm, information regarding the death, retirement or permanent disability of any of the partner/s or any change in the constitution of the partnership firm; and
- (v) Such other information regarding the Borrower, Borrower's financial status and/ or utilisation of Loan proceeds, as the Bank may request from time to time.

5.3. Change in Status

The Borrower shall, in case the Borrower is a company/ firm/ body corporate, notify the Bank at least 30 days in advance of any intended a) change in its business, constitution or constitution documents or b) closure of its business or c) change in address.

5.4. Compliance with rules and regulations

The Borrower shall duly and punctually comply with all applicable laws and regulations.

5.5. Insurance

The Borrower shall comprehensively insure and keep insured its Assets with for its full market value or replacement cost against all risks including terrorism, earthquake, fire, flood, explosion, storm, cyclone, civil commotion, etc. and whenever required by the Bank, also insure the risk of death and injury of the Borrower up to the value as advised by the Bank. Upon demand, the Borrower shall assign the insurance policies in favour of the Bank and submit to the Bank the aforesaid original insurance policy document(s) and premium/ payment receipts. The Borrower shall do all acts and deeds as may be required to maintain the bank's status as sole beneficiary under the said insurance policies and to receive money there under in case of any claims whatsoever.

5.6. Joint and Several Liability

In case of more than one Borrower, each Borrower shall be jointly and severally liable to repay the Loan together with interest, fees, charges and all other sums due and payable under this Agreement and to observe the terms and conditions of this Agreement.

5.7 Stamp Duty and Other Statutory Charges

The Borrower shall be responsible to bear and pay the stamp duty as well as all other statutory charges arising on account of the Loan including stamp duty and registration charges on this Agreement as well as on all other instruments executed in relation to the Loan.

5.8. Bank's Right to Inspect

The Borrower agrees that the Bank or any person authorised by the Bank shall have free access to the financial records of the Borrower for the purpose of examining the ability of Borrower to repay the Loan or ascertaining the proper utilisation of the Loan.

5.9 Bank's Rights

The Bank shall have a right:

- (i) In the event it is unwilling to continue the Loan on account of regulatory or other reasons, at any time during the tenure of this Agreement, to recall the entire or part of the Loan without assigning any reason;
- (ii) To revise/ re-schedule the repayment terms/ amount of EMI or any other amounts outstanding there under and the Borrower shall make all future repayments to the Bank according to such revised Schedule on being notified by the Bank of such revision or re-scheduling;
- (iii) At any time or from time to time to amend/ revise any of the terms and conditions of this agreement including but not limited to revision of interest rate (including the Penal Charges, change in EMI for the floating rate loans), periodicity of compounding of interest, method of effecting credit of the repayments, etc. without assigning any reason and notify such change/ revision to the Borrower. The Borrower will be bound by the change in interest rates or such amended terms and conditions as notified by the bank and the Borrower agree/ s that such revision/ change shall become applicable from date of such revision in the records of the Bank;
- (iv) To receive and adjust any payment it may receive as an assignment of the insurance policy of the Borrower towards the amounts due and/ or payable by the Borrower under this Agreement (including principal, interest, fees, charges, expenses, "etc.") in the manner and order it deems fit.
- (v) Without prejudice to the right of the Bank, to appoint one or more third parties as the Bank may select and to delegate to such third party all or any of its functions, rights and powers under this Agreement relating to the administration of the Loan including the right and authority to collect and receive on behalf of the Bank from the Borrower all due and unpaid EMIs

and other amounts due by the Borrower under this Agreement and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto including sending notices, contacting the Borrower, receiving cash/ cheques/ drafts/ mandates from the Borrower and giving valid and effectual receipts and discharge to the Borrower. In the event of the Bank appointing an agent as aforesaid, the Bank shall be entitled to provide information held by the Bank in relation to the Borrower, the guarantor and the Loan to such agent and the Borrower shall co-operate with such agent appointed by the Bank in the same manner as it would with the Bank in terms of this Agreement. Notwithstanding the above, in the event of any default by the Borrower, the Borrower expressly accepts and authorises the Bank (and/ or any such third party as the Bank may select) to contact third parties (including the family members of the holder and disclose all necessary or relevant information pertaining to the Borrower and the Loan and the Borrower hereby consents to such disclosure by the Bank (and/ or any such third party as the Bank may select).

- (vi) To disclose any information about the Borrower, his/ their account relationship with the Bank and/ or any default committed by him/ them in repayment of amounts (whether such information is provided by the Borrower or obtained by the Bank itself and whether in form of conduct, rating or defaults) to its head office, other branch offices, affiliated entities, Reserve Bank of India, other banks, institutions, CIBIL (Credit Information Bureau (India) Ltd), its auditors any refinancing agency and such third parties including rating agencies as the Bank may in its sole and exclusive discretion, deem fit and proper. The Bank shall also be entitled to seek and receive any information as it deems fit in connection with the Loan and/ or the Borrower from any third party. The Credit Information Bureau (India) Ltd. and any other agency so authorised may furnish the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf; and
- (vii) In case the Borrower is an individual, to require the Borrower, in the event of the Borrower opting to resign or retire from the employment prior to the age of superannuation or being discharged or removed from service before such date for any reason whatsoever, to instruct his employer to remit the entire dues or termination benefits (including compensation) becoming payable by the Borrower from his/ their employer on account of his such cessation of employment and to receive and appropriate the same towards the Borrower's liability under the Loan.
- (viii) Have the right, at its discretion, to demand all residual charges including but not limited to any Penal Charges, fees, late payment charges, costs, etc., remaining unpaid by the Borrower, on maturity of the Loan; and
- (ix) To determine any shortfall in payment of outstanding amounts in respect of the Loan as a 'marginal shortfall amount' such that non-payment or part-payment of such marginal shortfall amount would not constitute an event of default under this Agreement, however, determination of any amount as marginal shortfall amount shall not constitute a waiver of any of the Bank's rights in respect of such marginal shortfall amount. Such marginal shortfall amounts shall be due and payable at the time of maturity of the Loan if not paid during the tenure of the Loan. The Bank may also consider not reporting such non-payment of marginal shortfall amount as delinquent to any credit bureau or in internal records.
- (x) In the event it is unwilling to continue the Loan on account of regulatory or other reasons, at any time during the tenure of this Agreement, to recall the entire or part of the Loan without assigning any reason;
- (xi) To revise/ re-schedule the repayment terms/ amount of EMI or any other amounts outstanding thereunder and the Borrower shall make all future repayments to the Bank according to such revised Schedule on being notified by the Bank of such revision or re-scheduling;
- (xii) At any time or from time to time to amend/ revise any of the terms and conditions of this Agreement including but not limited to revision of Interest Rate (including the Penal Charges , change in EMI for the Floating Rate Loans), periodicity of compounding of Interest, method of effecting credit of repayments, etc. without assigning any reason and notify such change/ revision to the Borrower. The Borrower will be bound by the change in Interest Rates or such amended terms and conditions as notified by the Bank and the Borrower agree/ s that such revision/ change shall become applicable from date of such revision in the records of the Bank;

5.10. Negative Covenants

The Borrower shall not: (i) during the tenure of this Agreement, avail of or obtain any further loan or facility without the prior written consent of the Bank; (ii) stand surety or as guarantor for any third party liability or obligation.

5.11. The Borrower shall carry on their business efficiently and shall furnish to the Bank and verify all statements, reports, accounts, documents and do all things which the Bank may reasonably require to give effect to these presents.

5.12. That all sums received under any such insurance as aforesaid shall be applied in or towards the liquidation of the balance due to the bank for the time being, and in the event of there being a surplus the same shall be applied as provided by clause 10 hereof.

5.13. On demand by the Bank, the Borrower shall pay to the Bank, the balance then due to the Bank under the said facilities together with all interest/ commission at the rate aforementioned and the amount of all charges and expenses (if any) up to the date of payment, provided nothing contained in this clause shall be deemed to prevent the Bank from demanding payment of the balance due to the Bank exclusive of such interest.

5.14. The Borrower agrees to accept as conclusive proof of the correctness of any sum claimed to be due from them to the Bank under the Loan any statement of account made out in the name of the Bank and signed by a duly authorised officer of the Bank, without any production of any other voucher, document or paper.

5.15. Provided always that these presents shall not prejudice any rights or remedies of the Bank against the Borrowers irrespective and independent of these presents in respect of any other advance made or to be made by the Bank to the Borrower.

5.16. Any demand or notice to be made or given to the Bank may be made or given by leaving the same at or posting the same by registered post in any envelope addressed to its branch offices and to the Borrowers at their registered office and every such demand or notice shall be deemed to be received as the case may be at the time at which it is left or at the time at which it would have been delivered in the ordinary course of post at the registered office or branch office in question.

5.17. The Borrowers shall pay on demand to the Bank the costs (between advocate and client) incurred by them or any of them in connection with the preparation, engrossment and stamping in duplicate and execution of these presents.

5.18. Security

Any security(ies) furnished by the Borrower, under any other agreement entered into or to be entered into with the Bank, shall be deemed to be the security(ies) under this Agreement. The Borrower agrees that the security(ies) offered in respect of the Loan shall be deemed to be continuing security(ies) in respect of other loan(s)/ facility(ies) obtained/ to be obtained by the Borrower from the Bank and shall not be discharged till such time all the loan(s)/ facility(ies) are fully discharged to the satisfaction of the Bank.

Signature of the Borrower and the Guarantor(s)

5.19. Credit risk profile

The borrower shall maintain his individual and business credit profile in good order and ensure that it does not deteriorate. Bank may re-evaluate credit profile of the customer, from time to time, and if the Bank witnesses any deterioration in credit profile as per the internal norms, then it may increase the premium charged to the borrower as per its board approved policy in this regard. Such additional interest rate shall be charged to the borrowers loan account on the specific date thereof and shall be deemed to form part of the outstanding. Such change will be intimated to the customer.

Article VI Events of Default

6.1. Events of Default. The Bank may, by a written notice to the Borrower, declare all sums outstanding under the Loan (including the principal, interest, fees, charges, expenses, etc.) to have become due and payable forthwith upon the occurrence (in the sole decision of the Bank) of any one or more of the following events:-

- (i) The Borrower fails to pay to the Bank any amount when due and payable under this Agreement or any other agreement or the ECS (NACH)/ SI is cancelled/ withdrawn for any reason whatsoever;
- (ii) The Borrower fails to pay to any person other than the Bank any amount when due and payable or any person other than the Bank demands repayment of the loan or dues or liability of the Borrower to such person ahead of its repayment terms as previously agreed between such person and the Borrower;
- (iii) The Borrower defaults in performing any of the Borrower's obligations under this Agreement or breaches any of the terms or conditions of this Agreement;
- (iv) In case the Borrower is an individual, the Borrower opts to sell, restructure his business or ceases or threatens to cease to carry on his business.
- (v) Any information provided by the Borrower to avail the Loan or any representations or warranties herein expressed are found to be incorrect or misleading;
- (vi) If there is reasonable apprehension that the Borrower is unable to pay debts due to any person other than the Bank or any creditor has commenced proceedings to declare the Borrower insolvent or bankrupt or if the Borrower shall become bankrupt or insolvent or commit act of insolvency or initiate any proceedings for being declared bankrupt;
- (vii) The borrower fails to create the security as per the demand of the Bank or give ECS (NACH)/ SI or submit additional documents or submit requisite proof of end use of the loan amount to the Bank as provided herein;
- (viii) In case of Borrower being an individual, the death or disability of the Borrower or if the Borrower becomes of unsound mind;
- (ix) The Borrower, being a company/ partnership firm, takes threatened against the Borrower for its winding up, dissolution, administration or re-organisation or for the appointment of a liquidator, receiver, administrator, custodian, trustee or similar officer of it or of any or all of its revenues and/ or assets;
- (x) Any governmental authority or any person acting or proposing to act under governmental authority takes any action to condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the properties of the Borrower, takes any action against the Borrower or takes any action to displace the management of the Borrower or to curtail its authority in the conduct of its business; or
- (xi) The Borrower fails to furnish the financial statements or any other information requested by the Bank in terms of this Agreement.
- (xii) Material adverse news reports/ Litigations against the borrower(s) that may have a material adverse effect on its functioning/ business operations.
- (xiii) Any action is commenced or threatened against the Borrower that is likely to a diversely affect the Borrower in performing its obligations under this Agreement.
- (xiv) The Bank shall conduct a performance review of the Loan at such periods as may be decided by the Bank in accordance with applicable laws and its internal policy. On such review, if the Bank is not satisfied with the performance of any Loan, the Bank reserves the right to require the Borrower to repay all or part of such Loan or all Loans.
- (xv) The Borrower fails to pay any amount when due and payable on other loans/ facilities availed from the bank or any other financial institution.
- (xvi) Deterioration in the business activities of the borrower or general industry/ segment that the borrower's business is a part of
- (xvii) Decline in performance of the borrower on credit facilities or decline in score as reported by Credit Information companies.
- (xviii) The Borrower fails to submit end use documents, or any other document required by the Bank from time to time
- (xix) Make any change in the constitution, management or existing ownership or control or share capital or enter into any arrangement of merger, acquisitions, or sale of any of its undertaking (s) without the prior written consent of the Bank, in case the Borrower is a company; or
- (xx) Dissolve or admit new partners in the partnership without prior written consent from the Bank, in case the Borrower is a partnership firm.

The above events may also result in deterioration in credit profile and could result in increase in the premium charged.

6.2. It is hereby agreed between the parties that in the event of the default by the Borrower, the Guarantor/ Pledgor should be liable to pay any tax on assets, securities, loan or any other charges arising in relation to this Agreement which otherwise would have been payable by Borrower.

6.3. Bank's Remedies

Upon occurrence of an event of default, the Bank shall be entitled:

- (i) To enforce and realise any guarantee or security created in its favour; and
- (ii) "In addition to clause,(i), "initiate and adopt civil and criminal proceedings against the Borrower/ guarantor for recovery of its dues; and
- (iii) To disclose information pertaining to/ relating to the Borrower to the Reserve Bank of India, Credit Information Bureau (India) Ltd, any other credit bureau or third parties as deemed necessary by the Bank in its sole discretion.
- (iv) To charge additional interest rate above the prevailing interest rate charged on the loan. Such additional interest rate shall be charged/ debited to the Borrower's Loan account on the specific date thereof and shall be deemed to form part of the outstanding. Such interest and other amounts shall, accordingly attract interest at the same rate as charged on the Loan in terms of this Agreement until payment thereof to the Bank to its satisfaction

6.4. Expenses of Preservation of Assets of the Borrower and of Collection. All reasonable costs incurred by the Bank after an event of default has occurred in connection with collection of amounts due under this Agreement, may be charged to the Borrower and reimbursed, as the Bank shall specify.

Article VII Assignment and Transfer

7.1. The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) the whole or part of the Loan and outstanding amounts under the Loan and/ or any other rights under this Agreement or any other document pursuant hereto to any person including a non-individual entity in such manner or upon such terms and conditions as the Bank may decide in its sole discretion and without giving notice thereof to the Borrower.

7.2. The Borrower expressly agrees, in the event of being notified of any sale, assignment or transfer as aforesaid, to accept such person to whom the Loan is sold, assigned or transferred as his lender and make the repayment of the Loan together with all interest, fees, charges and expenses due under this Agreement to such person as may be directed by the Bank.

Article VIII Miscellaneous

8.1. Waiver

The Parties agree that any delay or omission by the Bank in exercising any of its rights, powers or remedies as the lender of the Loan under this Agreement and other documents pursuant hereto shall not impair the right, power or remedy or be construed as its waiver or acquiescence by the Bank.

8.2. Entire Agreement

The Parties confirm that this Agreement and its Schedule and any other documentation pursuant to it represent one single agreement between the Parties. This Agreement supersedes all prior discussions and representations between the parties, including the Bank brochure, save with respect to the obligations of and representations made by the Borrower to the Bank set forth in any correspondence, application forms or otherwise made or agreed to be made howsoever.

8.3. Governing Laws and Jurisdiction

Laws of India shall govern this Agreement and other documentation pursuant hereto and Courts or Tribunals having jurisdiction where the Branch is situated shall have exclusive jurisdiction over all aspects governing the interpretation and enforcement of this Agreement and other documentation executed pursuant hereto.

8.4. Notice

The addresses of the parties shall be as mentioned in the Schedule. The Borrower shall forthwith inform the Bank of any change in the Borrower's address. Any notice or request required or permitted under this Agreement to be given by either party to the other shall be only in writing and sent on the address of the other party as mentioned in the Schedule (or in case to the Borrower, on the address of the Borrower last known to the Bank):-

- (i) If given by the Bank, may be given by personal delivery, fax or by post and shall be deemed to have been served upon or received by the Borrower. If given by personal delivery, when so delivered and if by post on the expiration of 3 days after the same has been delivered to the post office for onward transmission to the Borrower under certificate of posting; and
- (ii) If given by the Borrower to the Bank when it is actually received by them.

8.5. Set Off

The Borrower hereby authorise the Bank to apply any credit balance to which the Borrower may be entitled under any loan/ facility(ies), in satisfaction of any sum due and payable herein but remaining unpaid. In case of any event of default, without prejudice to any other right of the Bank provided herein, the Bank shall be entitled to set off its dues against any monies in its possession/ control and due from it to the Borrower whether by way of deposits or otherwise.

8.6. Amendment

The Schedules hereto and any amendments thereof shall be deemed to be part of this Agreement as if the provisions thereof were set out herein in extension. Any modification/ revision of this Agreement/ Schedules shall be in writing and signed by both parties. Such writing shall thereafter form an integral part of this Agreement.

Signature of the Borrower and the Guarantor(s)

8.7. Recovery policy

The Bank is committed to its policy for collection/ recovery of dues, a latest copy of which is available on the Bank's website www.deutschebank.co.in. The current version of the recover policy of the Bank is appended to this Agreement as Annexure A.

8.8. Grievance Redressal

The Bank has a Grievance Redressal Mechanism in place to address any concerns related to this Loan Agreement or for any assistance required during the tenure of the loan. The Borrower may submit complaints through the Customer Service Helpline, email, postal address, or online complaint form provided by the Bank. The Bank is committed to resolving all complaints fairly and promptly, in accordance with its policies and within purview of regulatory guidelines.

The Borrower may submit their service requests, complaints or concerns through the following channels:

- Customer Service Helpline : 1860 266 6660
- Email : premium.care@db.com
- Postal Address : PO Box 9095, Goregaon (East), Mumbai 400 063
- Website : https://www.deutschebank.co.in/en/connect-with-us/customer-feedback-new.html

In case the Borrower is not satisfied with the resolution, they may escalate the issue to higher authorities within the Bank or approach the relevant regulatory body (viz. Banking Ombudsman), details of which are provided on the bank's website www.deutschebank.co.in.

IN WITNESS OF THE AGREEMENT, THE PARTIES HERETO HAVE SIGNED HEREUNDER ON THE DAY, MONTH AND YEAR MENTIONED IN THE SCHEDULE TO THIS AGREEMENT

Signed and Delivered by the Borrower(s)

In case of Individuals:

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Signature of the Borrower and the Guarantor(s)

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signed and Delivered by the Guarantor(s)/ Security Provider(s)

In case of Individuals:

Name	In capacity of	Signature
	Guarantor	
	Pledgor	

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signature of the Borrower and the Guarantor(s)

Signed and delivered by Deutsche Bank AG

Through its authorised signatory	Signature

Schedule

1	Place of Agreement	
2	Date of Agreement	
3	Name of the Borrower(s)	1. 2. 3. 4. 5. 6.
4	Address of the Borrower and for the purpose of service of Notice	1. 2. 3. 4.
5	Guarantor/ Pledgor (a)Name (b)Address	1. 2. 3. 4. 5.
6	Nature of Additional Security (if applicable)	
7	Address of the Branch office of the Bank for the purpose of service of Notices	
8	Loan Amount	Rs. _____/- (Rupees _____) each
9	Tenure	_____ Months
10	Number of Instalment	_____ Months
11	Value of Instalment	All Instalment of Rs. _____/- (Rupees _____) each

Signature of the Borrower and the Guarantor(s)

12	Proposed date when first instalment is due	
13	Day on which interest will be charged to the account each month	
14	Documentation and Processing Fees	
15	Penal Charges	I/ We am/ are aware that schedule of charges (as stated in the Most Important Terms & Conditions, which was acknowledged by me/us at time of applying for the Loan) are amended from time to time and that the same can be accessed through the Bank's website i.e www._____.
16	Prepayment Charges	
17	Charges for unsuccessful execution of Standing Instruction for payment / ECS (NACH)	
18	Tax (applicable on fees and charges)	
19	ECS (NACH)/ SI swap charges	
20	Duplicate Statement issuance Charges	
21	Purpose of Loan	
22	Date of disbursal of the Loan amount or any part thereof.	
23	Interest Rate	<p>The Interest Rate shall be linked to the EBTL. "EBTL" means 3 – Months Treasury Bill Rate published by the Financial Benchmarks India Private Limited (FBIL) , reference rate for lending to be charged in accordance with Reserve Bank of India's circular DBR.DIR.BC.No.14/13.03.00/2019-20 dated September 4 2019, as amended from time to time.</p> <p>The Bank reserves the right to determine its actual lending rate on loans and advances, with reference to the EBTL, by including a spread, as the Bank deems fit.</p> <p>The spread over the EBTL which shall be determined by the Bank taking into account factors like credit risk premium, business strategy cost, operating cost or any other parameter determined by the Bank from time to time. Deterioration in the credit risk profile may result in an increase in the spread.</p> <p>Applicable EBTL : EBTL published on < > (rounded off to the nearest 0.05%) will be the applicable Benchmark rate for your Loan.</p>
24	EBTL	_____ %
25	Floating Rate on Interest	EBTL + Spread _____ % = _____ %
26	Frequency Of Review Of The Rate Of Interest	Every quarter on 16th January, 16th April, 16th July and 16th October
	First Reset Date	
27	Frequency of Payment	Monthly
28	Moratorium applicable (Yes / No)	
	a. Interest Moratorium (no of month)	
	b. Principal Moratorium (no of month)	
29	Interest Moratorium start date	
	Interest Moratorium end date	
30	Principal Moratorium start date	
	Principal Moratorium end date	
31	Proposed date when first instalment is due	
	Proposed date when last instalment is due	

Signature of the Borrower and the Guarantor(s)

Signed and Delivered by the Borrower(s)

In case of Individuals:

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signed and Delivered by the Guarantor(s)/ Security Provider(s)

In case of Individuals:

Name	In capacity of	Signature
	Guarantor	
	Pledgor	

Signature of the Borrower and the Guarantor(s)

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signed and delivered by Deutsche Bank AG

Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signed and delivered by Deutsche Bank AG

Through its authorised signatory (Name)	Signature

Signature of the Borrower and the Guarantor(s)

Annexure A Policy on Collection of Dues

1. Introduction

The debt collection policy of the Bank is built around dignity and respect to customers. Bank will not follow policies that are unduly coercive in collection of dues. The policy is built on courtesy, fair treatment and persuasion. The Bank believes in following fair practices with regard to collection of dues and thereby fostering customer confidence and long-term relationship.

The repayment schedule for any loan sanctioned by the Bank will be fixed taking into account paying capacity and cash flow pattern of the Borrower. The Bank will explain to the customer upfront the method of calculation of interest and how the Equated Monthly instalment (EMI) or payments through any other mode of repayment will be appropriated against interest and principal due from the customers. The Bank would expect the customers to adhere to the repayment schedule agreed to and approach the Bank for assistance and guidance in case of genuine difficulty in meeting repayment obligations.

All the practices adopted by the Bank for follow up and recovery of dues will be in consonance with the law.

2. General Guidelines

All the members of the staff or any person authorised to represent our Bank in collection would follow the guidelines set out below:

- (i) The customer would be contacted ordinarily at the place of his/ her choice and in the absence of any specified place, at the place of his/ her residence and if unavailable at his/ her residence, at the place of business/ occupation.
- (ii) Identity and authority of persons authorised to represent Bank for follow up and recovery of dues would be made known to the borrowers at the first instance. The Bank staff or any person authorised to represent the Bank in collection of dues will identify himself/ herself and display the authority letter issued by the Bank upon request.
- (iii) The Bank would respect privacy of its borrowers.
- (iv) The Bank is committed to ensure that all written and verbal communication with its Borrowers will be in simple business language and Bank will adopt civil manners for interaction with borrowers.
- (v) Normally the Bank's representatives will contact the Borrower between 0700 hrs and 1900 hrs, unless the special circumstance of his/ her business or occupation requires the Bank to contact at a different time.
- (vi) Borrower's requests to avoid calls at a particular time or at a particular place would be honoured as far as possible.
- (vii) The Bank will document the efforts made for the recovery of dues and the copies of communication set to customers, if any, will be kept on record.
- (viii) All assistance will be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
- (ix) Inappropriate occasions such as bereavement in the family or such other calamitous occasions will be avoided for making calls/ visits to collect dues.

3. Giving notice to borrowers

While written communications, telephonic reminders or visits by the Bank's representatives to the borrowers place or residence will be used as loan follow up measures, the Bank will not initiate any legal or other recovery measures without giving due notice in writing. Bank will follow all such procedures as required under law for recovery of dues.

Annexure B

Deed of Hypothecation of Stocks and Book Debts

(applicable in stock and book debts is being provided as Primary Security)

To

Affidavit Cum Undertaking (For Ready Properties)

Deutsche Bank AG

_____ Branch

THIS UNATTESTED DEED OF HYPOTHECATION ("Deed") made at _____ this _____ day of _____ by M/s. _____, company incorporated and registered under the Companies Act, 1956, and having its Registered Office at _____, [in case of Company]

hereinafter called "the Borrowers"(which term shall so far as the context admits be deemed to mean and include its successors and assigns)

OR

M/s _____, partnership firm, registered under the Indian Partnership Act, 1932 having its Registered office at _____

[in case of partnership firm] hereinafter called "the Borrowers" (which term shall include the firm's successors and partner or partners for the time being of the firm and the survivor or survivors among them and the heirs, executors, administrators, legal representatives of each one of them)

OR

M/s _____, sole proprietorship firm, having its Registered office at [in case of sole proprietorship] hereinafter called "the Borrowers" (which term shall include heirs, executors, administrators and legal representatives of the proprietor)

in favour of DEUTSCHE BANK, AG a banking corporation incorporated with limited liability in the Federal Republic of Germany, acting through its Branch _____, hereinafter called " the Bank" (which term shall so far as the context admits be deemed to mean and include its successors and assigns):

Whereas at the request of the Borrowers the Bank has agreed to sanction to the Borrowers the following facilities:-

Nature of Facility	Maximum Principal Limit

(hereinafter collectively called "the said facilities")

AND whereas as security to the Bank for the said facilities including all interest/ commission, costs, charges, expenses in respect thereof, the Borrowers have agreed to hypothecate and charge in favour of the Bank all the Borrowers' present and future movable current assets comprising of stock-in-trade including raw materials, semi-finished and finished goods, and book debts, both present and future, as and by way of first-ranking security for the payment by the Borrowers to the Bank of the balance due to the Bank at any time or ultimately on the closing of the said facilities.

Now this indenture witnesseth as follows

1 In consideration of the said facilities sanctioned by the Bank, the Borrowers hereby hypothecate by way of first charge in favour of the Bank as security for the payment by the Borrowers to the Bank of the balance due to the Bank at any time or ultimately on the closing of the said facilities, all debts and assets specified in the clauses hereof:

- (a) All the Borrower's present and future stock-in-trade consisting of stocks of raw materials, goods-in-process, semi-finished and finished goods, consumable stores, spares etc. which now or hereinafter from time to time during the continuance of these presents shall be brought in, stored or be in or above the Borrower's premises or godowns, at the godowns or premises of the Borrowers' agents or representatives or at various work sites or at any up country place or places wheresoever situated in India and/ or in transit, whether now belonging to or that may at any time during the continuance of these presents belong to the Borrowers and/ or that may be now or hereafter held by any party anywhere else in India to the order and disposition of the Borrowers (all of which are hereinafter referred to as "the hypothecated goods");

Signature of the Borrower and the Guarantor(s)

(b) All the present and future book debts, out standings, monies receivable, claims, bills, contracts, engagements, securities which are now due and owing or which may at any time hereafter, during the continuance of these presents, become due and owing to the Borrowers in the course of its business by any person, firm, company, or body corporate or by the Government of India or any State Government or Indian Railways or any government department or office or any municipal or local or public or semi-government body or authority or any body corporate or any undertaking or project whatsoever in the public sector (all of which are hereinafter collectively referred to as "the said debts"), to the end and intent that the security and charge hereby created on the hypothecated goods and the said debts (all of which are hereinafter for brevity's sake collectively referred to as "the hypothecated assets") shall be a security by way of first charge on all such hypothecated assets. The expression "the balance due to the Bank" in these presents shall be taken to include the principal monies from time to time due to the Bank under the said facilities and all interest/ commission thereon calculated in accordance with the Bank's usual practice at the rate hereinafter mentioned and the amount of all charges and expenses which the bank may have paid and/ or incurred in connection with the hypothecated assets or the sale or disposal thereof or in covering of any type of insurance risk on the hypothecated goods including fire, burglary, riot and civil commotion risks.

2. The security created by or pursuant to this Deed is a continuing security and shall till such time it is redeemed in terms of this Deed, remain in full force and effect notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Borrowers of the whole of the said facilities and/ or of the balance due to the Bank or any part thereof and is in addition, and without prejudice, to any other security, guarantee, lien, indemnities or other right or remedy which the Bank may now or hereafter hold for the said facilities and/ or for the balance due to the Bank or any part thereof. This security may be enforced against the Borrowers without first recourse to any other right of the Bank.

3. The hypothecated goods and all sales, realisation and insurance proceeds thereof and all proceeds from the said debts shall be held as the Bank's exclusive property specifically appropriated to the security hereby created, and the Borrowers shall not part with the hypothecated goods or deal with the said debts save by way of sale or dealings in the ordinary course of the Borrower's business, provided that no sale of such hypothecated goods shall be made after prohibition in writing from the Bank against selling, provided further that the Borrowers shall not create or suffer any mortgage, charge, lien or encumbrance affecting the hypothecated assets or any part thereof or do anything which would prejudice this security.

4. The Borrowers shall with the previous written consent of the Bank be at liberty from time to time to sell or dispose of in any manner the hypothecated goods or any part thereof, provided the market value of such goods is paid to the Bank, or goods of a similar nature to the hypothecated goods and of at least equal value are substituted for the goods so sold or disposed off, after previous approval of the Bank obtained in writing.

5. The Borrowers shall permit the Bank, their officers, servants or agents from time to time and at all times during the continuance of this security to enter upon any godown or premise wherein the hypothecated goods or any part thereof may for the time being be, and to view, inspect and value the same and to take inventory thereof, and render to the Bank, their officers, servants and agents all reasonable facilities as may be required for any of the purposes aforesaid. The Borrowers shall pay to the Bank on demand all fees and other costs, charges and expenses of and incidental to the inspection and valuation of the hypothecated goods (the Bank's statement being conclusive).

6. The Borrowers shall punctually pay all rents, rates, taxes and outgoings of the godowns and premises wherein the hypothecated goods shall be stored and keep the same free from distress.

7. The Borrowers shall carry on their business efficiently and shall furnish to the Bank and verify all statements, reports, accounts, documents and do all things which the Bank may reasonably require to give effect to these presents.

8. The Borrowers shall pay to the Bank interest/ commission/ charges on the said facilities as under- Deutsche Bank Base Rate + spread as mentioned in the sanction letter (plus any applicable taxes thereon including interest tax)

9. That the hypothecated goods shall be insured against fire risk by the Borrowers in an insurance company or companies approved by the Bank and in the name and for the sole benefit of the Bank for their full market value, and that the Borrowers will on demand deliver to the Bank all policies and receipts for premiums paid on such insurance, endorsed and assigned with the full benefit thereof in favour of the Bank. Should the Borrowers fail to so insure or fail to deliver the policies or receipts for premiums duly endorsed as aforesaid three days after demand, the Bank shall be at liberty, though not bound, to effect such insurance at the expenses of the Borrowers. The Borrowers further agree that the Bank shall be at liberty at anytime at its discretion (without being bound to do so) to insure the hypothecated goods for their full market value against riot and civil commotion risk or any other type of insurance risk at the expenses of the Borrowers with any insurance company.

10. That all sums received under any such insurance as aforesaid shall be applied in or towards the liquidation of the balance due to the Bank for the time being, and in the event of there being a surplus the same shall be applied as provided by clause 14 hereof.

11. The Borrowers shall at all times during the continuance of this security keep and maintain such margin of security in favour of the Bank (hereinafter called "the margin") as hereinafter mentioned:-

The balance due to the Bank under the said facilities shall not at anytime exceed:

(i) _____% of the value of the hypothecated goods

(ii) _____% of the value of the said debts;

or such other percentages as the Bank may from time to time determine of the cost or market value (market value as determined by the Bank), whichever is lower, of the hypothecated assets or any part thereof. If and so often as the said margin shall fail to be maintained, then the Borrowers shall forthwith (as the Bank may require) either hypothecate to the Bank further assets or movable property approved by the Bank and of sufficient value to make up for the deficiency, or shall reduce the balance for the time being due to the Bank by a cash payment so as to maintain the said margin.

12. On demand by the Bank, the Borrowers shall pay to the Bank the balance then due to the Bank under the said facilities together with all interest/ commission at the rate aforementioned and the amount of all charges and expenses (if any) up to the date of payment, provided nothing contained in this clause shall be deemed to prevent the Bank from demanding payment of the interest for the time being due at the above mentioned rates without at the same time demanding payment of the balance due to the Bank exclusive of such interest.

13. In default of payment by the Borrowers of any money hereby secured, or in the event of the Borrowers committing a breach of any of the terms and conditions of these presents, or on the occurrence of any circumstances in the opinion of the Bank endangering the security hereby created, the Bank, their officers, servants and agents shall be entitled without notice to the Borrowers at the Borrowers' risk and expenses and, if so required, as attorneys for and in the name of the Borrowers to enter and remain at any place where the hypothecated goods shall be, and to take possession of the hypothecated assets, recover and receive the same and/ or appoint any officer or officers of the Bank as receiver or receivers of the hypothecated assets, give notices and demands to debtors and third parties liable for the said debts, sue for, recover, receive and give receipts for the debts, and/ or sell or realise by public auction or private contract or otherwise dispose of or deal with all or any part of the hypothecated assets, and to enforce, settle, compromise and deal with any of the rights aforesaid, and to complete any engagements and to carry on the business of the Borrowers through agents, managers or otherwise, without being bound to exercise any of these powers or being liable for any loss in the exercise thereof and without prejudice to the Bank's other rights and remedies against the Borrowers, and to apply the net proceeds of such sale in or towards liquidation of the balance due to the Bank, and the Borrowers hereby agree and undertake to transfer and deliver to the Bank all related documents and papers and agree to accept the Bank's accounts of all sales or receipts of realisation and to pay any shortfall or deficiency thereby shown.

14. If the net sum realised by such sale is insufficient to cover the balance then due to the Bank, the Bank shall be at liberty to apply any other money or monies in the hands of the Bank standing to the credit of or belonging to the Borrower in or towards payment of the balance for the time being due to the Bank, and in the event of there not being any such money or monies as aforesaid in the hands of the Bank, or in the event of such money or monies being still insufficient for the discharge in full of such balance, the Borrowers promise and agree forthwith on production to them of any account to be prepared and signed, as provided in clause 15 hereof, to pay further balance which may appear to be due by the Borrowers thereon. Provided Always that nothing herein contained shall be deemed to negate, qualify or otherwise prejudicially affect the right of the Bank (which it is hereby expressly agreed the Bank shall have) to recover from the Borrowers the balance for the time being remaining due from the Borrowers to the Bank under the said facilities notwithstanding that all or any of the hypothecated assets may not have been realised.

15. In the event of there being a surplus available of the net proceeds of such sale after payment in full of the balance due to the Bank, it shall be lawful for the Bank to retain and apply the said surplus together with any money or monies belonging to the Borrowers for the time being in the hand of the Bank in or under whatever accounts, as far as the same shall extend, against, in or towards payment or liquidation of any and all monies which shall be or may become due from the Borrowers, whether solely or jointly with any other person or persons, firm or company, to the Bank by way of loans, discounted bills, letters of credit, guarantees, charges or any other debt or liability including bills, notes credits and other obligations current though not then due and payable or other demand legal or equitable which the Bank may have against the Borrowers or which the law of set-off or mutual credit would in any case admit, and whether the Borrowers shall become or be adjudicated bankrupt or insolvent or be in liquidation or otherwise, and interest thereon from the date on which any and all advance or advances in respect thereof shall have been made at the rate or respective rates at which the same have been so advanced.

16. The Borrowers agree to accept as conclusive proof of the correctness of any sum claimed to be due from them to the Bank under the said facilities any statement of account made out in the name of the Bank and signed by a duly authorised officer of the Bank, without any production of any other voucher, document or paper.

17. The Borrowers hereby declare that the hypothecated assets are the absolute properties of the Borrowers at the sole disposal of the Borrowers free from any prior charge or encumbrance, and that all future goods and debts hereunder shall be likewise their unencumbered, indisposed property, and that the Borrowers have not done or knowingly suffered or been party or privy to anything whereby they are in anywise prevented from hypothecating the hypothecated assets in the manner aforesaid, and that the Borrowers will do and execute at their costs all such acts and things for further and more particularly securing the hypothecated assets or part thereof to the Bank as shall be required by the Bank, and for giving better effect to these presents the Borrowers hereby authorise and irrevocably appoint the Bank and/ or its officers as attorneys and attorney for and in the name of the Borrowers to act on behalf of the Borrowers and execute and do any act, assurance and/ or things which the Borrowers ought to execute and/ or do under these presents and generally to use the name of the Borrowers in the exercise of the powers hereby conferred.

18. Provided always that these presents shall not prejudice any rights or remedies of the Bank against the Borrowers irrespective and independent of these presents in respect of any other advance made or to be made by the Bank to the Borrowers.

19. The security hereby created shall not be prejudiced by any collateral or other security including any personal guarantees now or hereafter held by the Bank for any money hereby secured or by way of any release, exchange or variation of any such security.

20. Any demand or notice to be made or given to the Bank may be made or given by leaving the same at or posting the same by registered post in any envelope addressed to its Branch Office at (place of execution) and to the Borrowers at its Registered Office, and every such demand or notice shall be deemed to be received as the case may be at the time at which it is left or at the time at which it would have been delivered in the ordinary course of post at the Registered Office or Branch Office in question.

21. The Borrowers shall pay on demand to the Bank the costs (between advocate and client) incurred by them or any of them in connection with the preparation, engrossment and stamping in duplicate and execution of these presents, and of any guarantee or other security executed simultaneously herewith in connection with the said facilities hereby assured, and of the registration of this security with the Registrar of Companies, and all other costs between advocate and client incurred or to be incurred by the Bank in connection herewith or with the enforcement or attempted enforcement of the security hereby created or the protection or defence or perfection hereto or for the recovery of any monies hereby secured, and of all suits and proceedings of whatsoever nature for the enforcement or realisation of the security hereby created or the recovery of such monies or otherwise in connection herewith or in which the Bank may be joined as a party or otherwise involved by reason of the existence of the security hereby created.

22. This Deed shall be governed by and shall be construed in accordance with the laws of India and subject to the non-exclusive jurisdiction of the courts and tribunals in _____(place of execution

Signature of the Borrower and the Guarantor(s)

Annexure C

Deed of hypothecation

(applicable where stock and book debts and/ or Fixed Assets are being provided as security)

THIS DEED OF HYPOTHECATION (“Deed”) is made on the day, month and year set out in **Schedule I** by **THE PERSON(S) NAMED IN SCHEDULE I** hereof (hereinafter referred to as the **“Borrower”**, which expression shall, unless contrary to the context or meaning thereof, mean and include (i) its administrators, successors and permitted assigns in the case of a company; (ii) each of the partners from time to time and their heirs and legal representatives in the case of a partnership; (iii) his or her heirs or legal representatives in the case of an individual; and (iv) successors and permitted assigns in the case of any other entity) in favour of **[DEUTSCHE BANK AG]**, a corporation duly organised and existing under the laws of Federal Republic of Germany and herein represented through its branch in India located at the place set out in **Schedule I** hereof (hereinafter referred to as the **“Lender”** which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors in title and assigns).

The Borrower and the Lender are individually referred to as Party and collectively as Parties.

Whereas

A. The Lender has agreed to make available to the Borrower and the Borrower has agreed to avail, the Facilities as more specifically detailed in **Schedule I** hereof (**“Facilities”**) in accordance with the terms and conditions contained in the Facility Agreement dated _____ entered into between the Parties (**“Facility Agreement”**).

B. Under the Facility Agreement, the Borrower has agreed to pay, repay or reimburse, as the case may be, the Facilities together with repayment instalment, overdue charges, premium on prepayment, all costs, charges, fees, expenses, other monies due, and all other present and future obligations and liabilities under the Facility Agreement, or under any other agreement entered into between the Parties, irrespective of whether such obligations, payments, debts or liabilities on account of the Facility Agreement or such other agreement are present or future, actual or contingent, owed upon the occurrence of an Event of Default or otherwise and duly observe and perform all the terms and conditions of the Financing Documents (**“Borrower’s Obligations”**)

C. Further, under the Facility Agreement, the Parties have agreed that the Borrower’s Obligations shall be secured, inter alia, by a hypothecation in favour of the Lender on the assets of the Borrower as more specifically detailed in **Schedule I** (**“Hypothecated Assets”**).

Now therefore, in respect of the premises and mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Unless otherwise defined, capitalised terms used in this Deed shall have the meanings as assigned to them in the Facility Agreement. The principles of interpretation as applicable to the Facility Agreement shall also be applicable to this Agreement unless otherwise indicated.
2. In pursuance of the Facility Agreement and in consideration of the Facilities sanctioned by the Lender, it is hereby agreed and declared that as security for repayment and/or performance of the Borrower’s Obligations, the Hypothecated Assets are hereby hypothecated and charged in favour of the Lender by way of _____ charge and right of set-off over all the rights, title, interest, benefit, claims and demands whatsoever of the Borrower.
3. The security created by or pursuant to this Deed is a continuing security and shall till such time it is redeemed in terms of this Deed, remain in full force and effect notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Borrower of the whole of the Facilities and/ or of the balance due to the Lender or any part thereof and is in addition, and without prejudice, to any other security, guarantee, lien, indemnities or other right or remedy which the Lender may now or hereafter hold for the Facilities and/or for the balance due to the Lender or any part thereof. The security created by this Deed shall not effect, impair or discharge the liability of the Borrower by insolvency, liquidation, winding up (voluntary or otherwise) or by any merger or amalgamation, reconstruction or otherwise of the Borrower with any other company or take over of the management or nationalisation of the undertaking of the Borrower. The security created under this Deed is in addition to, and independent of, any security or any other security or right or remedy now or at any time hereafter held by or available to the Lender.
4. This security may be enforced against the Borrower without first recourse to any other right of the Lender.
5. The Hypothecated Assets and all sales, realisation and insurance proceeds thereof shall be held as the Lender’s exclusive property specifically appropriated to the security, and the Borrower shall not part with the Hypothecated Assets save by way of sale or dealings in the ordinary course of the Borrower’s business, provided that no sale of such Hypothecated Assets shall be made after prohibition in writing from the Lender against selling, provided further that the Borrower shall not create or suffer any mortgage, charge, lien or encumbrance affecting the Hypothecated Assets or any part thereof or do anything which would prejudice the security.
6. The Borrower may, only with the previous written consent of the Lender, from time to time to sell or dispose off in any manner the Hypothecated Assets or any part thereof, provided the market value of the Hypothecated Assets is paid to the Lender, or goods of a similar nature as the Hypothecated Assets and of at least equal value are substituted for the Hypothecated Assets so sold or disposed off, after previous approval of the Lender obtained in writing.

Signature of the Borrower and the Guarantor(s)

7. The Borrower shall at its expense keep the Hypothecated Assets in marketable and good condition and insure the same by an insurance company or companies approved by the Lender in the name of the joint names of the Borrower and the Lender against any loss or damage by theft, fire, lightning, earthquake, explosion, riot, strike, civil commotion, storm, tempest, flood, erection risk, war risk and such other risks as may be determined by the Lender and including all marine, transit and other hazards incidental to the acquisition, transportation and delivery of the Hypothecated Assets to the place of use or installation. The Borrower shall deliver to the Lender the relevant policies of insurance duly assigned to the Lender and maintain such insurance policies throughout the continuance of the security of these presents and deliver to the Lender the renewal receipts therefore and shall duly and punctually pay all premia and shall not do or suffer to be done or omit to do or be done any act which may invalidate or avoid such insurance. The Borrower agrees and shall ensure that the insurance policies (as mentioned above) shall: (a) name the Lender as the beneficiary, first loss payee and additional insured; (b) cause the insurers of the aforementioned insurance policies to waive all express and implied rights of subrogation against the Lender; (c) contain an express endorsement that the Lender is not responsible for any premium; (d) include provisions relating to (inter alia) the cancellation, reduction of cover, amendment, non-renewal or lapse of such insurance policies, as may be required by the Lender; and (e) include other provisions as may be customary and reasonably deemed necessary by the Lender. Should the Borrowers fail to so insure or fail to deliver the policies or receipts for premium duly endorsed as aforesaid 3 (three) days after demand, the Lender shall be at liberty, though not bound, to effect such insurance at the expenses of the Borrower. The Borrower further agrees that the Lender shall be at liberty at any time at its discretion to insure the Hypothecated Assets for their full market value against riot and civil commotion risk or any other type of insurance risk at the expenses of the Borrower with any insurance company. All sums received under any such insurance as aforesaid shall be applied towards the liquidation of the balance due to the Lender for the time being, and in the event of there being a surplus the same shall be applied as provided by clause 15 hereof. On the occurrence of an Invocation Event, the Lender may (but shall not be bound to) keep in good condition and render marketable the Hypothecated Assets and take out/renew such insurance. Any premium paid by the Lender and any costs, charges and expenses incurred by the Lender shall forthwith on receipt of a notice of demand from the Lender be reimbursed to the Lender together with interest thereon at the applicable rate under the Facility Agreement, from the date of payment till reimbursement thereof and until such reimbursement by the Borrower the same shall be debited to the account of the Borrower and be a charge on the Hypothecated Assets.

8. The Borrower shall permit the Lender, their officers, servants or agents from time to time and at all times during the continuance of this security to enter upon any godown or premise wherein the Hypothecated Assets or any part thereof may for the time being be, and to view, inspect and value the same and to take inventory thereof, and render to the Lender, their officers, servants and agents all reasonable facilities as may be required for any of the purposes aforesaid. The Borrower shall pay to the Lender on demand all fees and other costs, charges and expenses of and incidental to the inspection and valuation of the Hypothecated Assets.

9. The Borrower shall, whenever required by the Lender, give full particulars to the Lender of all the assets of the Borrower and of the Hypothecated Assets and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Lender and make, furnish and execute all necessary documents to give effect to this security.

10. On the failure of the Borrower to fulfil the Borrower's Obligations, or in the event the Lender places one or more of the Facilities alongwith other amounts payable by the Borrower to the Lender on demand, or in the event the Lender declares the Facilities and all amounts owed to the Lender under the Facility Agreement to be immediately due and payable or upon the occurrence of an Event of Default by the Borrower, or in the event of the Borrower committing a breach of any of the terms and conditions of this Deed or the Financing Documents, or on the occurrence of any circumstances which in the opinion of the Lender, endangers the security hereby created (each event being referred herein as an "Invocation Event"), the Lender shall, without any notice and without assigning any reason and at the risk and expense of the Borrower seize, recover, receive and remove and/or sell by public auction or by private contract, dispatch or consign for realisation or otherwise dispose off or deal with all or any part of the Hypothecated Assets and shall have the right to enforce, realise, settle, compromise and deal with any rights or claims relating thereto without being bound to exercise any of these powers or be liable for any losses in the exercise or non-exercise thereof and without prejudice to the Lender's rights and remedies of suit or otherwise.

11. Notwithstanding any pending suit or other proceeding, the Borrower undertakes to give immediate possession of the Hypothecated Assets to the Lender or its nominees, on demand and to transfer and to deliver to the Lender all relative bills, contracts, securities and documents and the Borrower hereby agrees to accept the Lender's account of sales and realisations as sufficient proof of amounts realised and relative expenses and to pay on demand by the Lender any shortfall or deficiency thereby shown. Provided, however, that the Lender shall not in any way be liable or responsible for any loss, damage or depreciation that the Hypothecated Assets may suffer or sustain on any account whatsoever whilst the same are in possession of the Borrower or by reason of exercise or non-exercise of rights and remedies available to the Lender and that all such loss, damage or depreciation shall be wholly debited to the account of the Borrower howsoever the same may have been caused.

12. The Borrower agrees to accept as conclusive proof of the correctness of any sum claimed to be due by the Lender under the Facility Agreement, any statement of account made out in the name of the Lender and signed by its duly authorised officer, without any production of any other voucher, document or paper.

13. If the net sum realised pursuant to clause 12 hereinabove is insufficient to cover the balance due to the Lender, the Lender shall be at liberty to apply any other money or monies in the hands of the Lender standing to the credit of or belonging to the Borrower towards payment of the balance for the time being due to the Lender, and in the event of there not being any such money or monies as aforesaid in the hands of the Lender, or in the event of such money or monies being still insufficient for the discharge in full of such balance, the Borrower promise and agree to pay further balance which may appear to be due by the Borrower. Provided that, nothing herein contained shall be deemed to negate, qualify or otherwise prejudicially affect the right of the Lender to recover from the Borrower the balance for the time being remaining due from the Borrower to the Lender under the Facilities notwithstanding that all or any of the Hypothecated Assets may not have been realised.

14. In the event of there being a surplus available of the net proceeds realised pursuant to clause 12, after payment in full of the balance due to the Lender, it shall be lawful for the Lender to retain and apply the said surplus together with any money or monies belonging to the Borrower for the time being in the hands of the Lender as far as the same shall extend, against, in or towards payment or liquidation of any and all monies which shall be or may become due from the Borrower, whether solely or jointly with any other person or persons, firm or company, to the Lender by way of loans, discounted bills, letters of credit, guarantees, charges or any other debt or liability including bills, notes credits and other obligations current though not due and payable or other demand legal or equitable which the Lender may have against the Borrower.

Signature of the Borrower and the Guarantor(s)

15. The Borrower hereby agrees and undertakes to transfer and deliver to the Lender all related documents and papers and agree to accept the Lender's accounts of all sales or receipts of realisation and to pay any shortfall or deficiency thereby shown.

16. The Borrower hereby declares that the Hypothecated Assets are the absolute properties of the Borrower at the sole disposal of the Borrower free from any prior charge or encumbrance, and that the Borrower has not done or knowingly suffered or been party or privy to anything whereby the Borrower is in anyway prevented from hypothecating the Hypothecated Assets in the manner aforesaid, and that the Borrower will do and execute at its costs all such acts and things for securing the Hypothecated Assets or part thereof as may be required by the Lender.

17. The Lender, at any time after the security hereby created has become enforceable, and whether or not the Lender shall then have entered into or taken possession of, and in addition to the powers herein conferred upon the Lender after such entry into or taking possession of, may have a receiver or receivers appointed of the Hypothecated Assets or any part thereof ("**Receiver**"). The following provisions shall apply to such Receiver:

- a. unless otherwise directed by the Lender, such Receiver shall have and exercise all powers and authorities vested in the Lender;
- b. the Receiver shall, in exercise of his powers, authorities and discretions, conform to the regulation and directions from time to time made and given by the Lender;
- c. the Lender, may from time to time, fix the remuneration of such Receiver, and shall direct payment thereof out of the Hypothecated Assets, but the Borrower alone shall be liable for the payment of such remuneration;
- d. the Lender may, from time to time and at any time, require such Receiver to give security for the due performance of his duties as such Receiver and may fix the nature and amount of the security to be given to the Lender, but the Lender shall not be bound to require such security;
- e. the Lender may pay over to such Receiver any monies constituting part of the securities to the intent that the same may be applied for the purpose hereof by such Receiver and the Lender may, from time to time, determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver;
- f. every such Receiver shall be the agent of the Borrower for all purposes and the Borrower alone shall be responsible for his acts and defaults, loss or misconduct and liable on any contract or engagement made or entered into by him. The Lender shall not incur any liability or responsibility by reason of its making or consenting to the appointment of the Receiver.

18. The Borrower represents and warrants that:

- a. it is competent and has the power to execute this Deed;
- b. it has done all acts, conditions and things required to be done, fulfilled or performed, and all authorisations required or essential for the execution of this Deed or for the performance of their obligations in terms of and under this Deed have been done, fulfilled, obtained, effected and performed and are in full force and effect and no such authorisation has been, or is threatened (to their knowledge) to be, revoked or cancelled;
- c. this Deed has been duly and validly executed by it or on its behalf and this Deed constitutes its legal, valid and binding obligations;
- d. the entry into, delivery and performance by them of, and the transactions contemplated by, this Deed do not and will not conflict: (i) with any law; (ii) with their constitutional documents (where applicable); or (iii) with any document which is binding upon it or on any of its assets;
- e. the execution or entering into by it of this Deed constitutes, and performance of their obligations under this Deed will constitute, private and commercial acts done and performed for private and commercial purposes; it is not, will not be entitled to, and will not claim immunity for itself or any of its assets from suit, execution, attachment or other legal process in any proceedings in relation to this Deed;
- f. all information communicated to or supplied by or on behalf of it to the Lender from time to time are true and fair / true, correct and complete in all respects;
- g. no stamp duty or registration fees or similar taxes or charges are payable in any jurisdiction in respect of this Deed, other than the sum paid on this Deed as stamp duty on or prior to the date hereof;
- h. it will not initiate, promote or participate in any unfair or manipulative market practices;
- i. there is no litigation, arbitration or administrative proceedings or proceedings before or of any court, tribunal which are current or pending or, which might have an adverse effect on the business, assets, condition (whether financial or otherwise), operations, performance, assets or prospects of this Deed;
- j. all consent, licence, approval, registration, permit or other authorisation of any nature which is required to be granted by any statutory or regulatory authority and any third party approvals and consents required or advisable in connection with the entry into performance, validity and enforceability of this Deed and the transactions contemplated hereby have been obtained or effected and are in full force and effect;
- k. the Hypothecated Assets and all sale realisations and insurance proceeds thereof and all documents over which security has been created under this Deed shall always be kept distinguishable and be dealt with only under the directions of the Lender and the Borrower shall not create any further security upon the Hypothecated Assets or any part thereof except in favour of the Lender, nor suffer any charge, mortgage, lien or other encumbrance or any attachment or distress to affect the same or any part thereof except with the prior written consent of the Lender nor do or allow anything that may prejudice this security and the Lender shall be at liberty to incur all costs and expenses as may be necessary to preserve the security created pursuant to this Deed;
- l. the Hypothecated Assets is and will at all times be the unencumbered, absolute and disposable property of the Borrower;
- m. no authorisation, approval, consent, licence, exemption, registration, recording or filing with any authority which has not been duly and unconditionally obtained, made or taken is necessary or desirable to ensure the validity and enforceability of this Deed or the rights of the Lender under this Deed; and
- n. except to the extent specifically permitted by the Lender in writing, the Borrower shall not deal in the Hypothecated Assets in any manner.

19. The security created under this Deed is in addition to, and independent of, any security or right or remedy now or at any time hereafter held by or available to the Lender.

Signature of the Borrower and the Guarantor(s)

20. This Deed may be enforced without the Lender first having recourse to any other security or rights or taking any other steps or proceedings against the Borrower, or may be enforced for any balance due after resorting to any one or more means of obtaining payment or discharge of the Borrower's Obligations.
21. The security hereby created shall not be prejudiced by any collateral or other security including any personal guarantees now or hereafter held by the Lender for any money hereby secured or by way of any release, exchange or variation of any such security.
22. The Borrower hereby appoints the Lender as its attorney in terms of the power of attorney attached as Schedule II and authorises the Lender to act for and in the name of the Borrower to do whatever the Borrower may be required to do under these presents and generally to use the name of the Borrower in the exercise of all or any of the powers by these presents conferred on the Lender and the Borrower shall bear the expenses that may be incurred in this regard.
23. All notices under this Deed shall be made in writing and can be delivered by post, facsimile and email at the address of the Parties hereto given in Schedule I or any substitute address or fax number or department or officer as the Party may notify to the other Parties by not less than 5 (five) Business Days' notice.
24. The Borrower shall indemnify the Lender and every Receiver, attorney, manager, agent or other person appointed by the Lender against all actions, proceedings, claims, demands, direct losses, liabilities, damages suffered, costs and expenses incurred by it in the execution of this Deed and all actions, proceedings, claims, demands, costs, charges and expenses which may be incurred, sustained or raised in respect of or as a consequence of the breach, non-performance of or non-observance of any of the representations, warranties, undertakings and agreements on the part of the Borrower herein contained or in respect of any matter or thing done or omitted relating in any way whatsoever to the Hypothecated Assets.
25. The Borrower agrees and undertakes to execute such other deeds or documents as may be required by the Lender to further perfect, protect and/or enforce the security created hereunder.
26. Nothing herein shall prejudice the rights or remedies of the Lender in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Borrower to the Lender.
27. The provisions contained herein shall be read in conjunction with the provisions of the Facility Agreement as amended from time to time and to the extent of any inconsistency or repugnancy the latter shall prevail for all intents and purposes.
28. The Borrower shall pay any and all stamp duty, registration and similar taxes or charges, which may be payable in connection with the execution, entry into, performance or enforcement of this Deed.
29. The Borrower shall take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable laws and regulations to consummate or implement expeditiously the transactions contemplated by this Deed.
30. No failure to exercise and no delay in exercising, on the part of the Lender, any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
31. This Deed binds and nures to the respective successors and assignees of the parties hereto, except that the Borrower may not assign or otherwise transfer all or any part of its rights and obligations under this Deed without the prior written consent of the Lender. The benefit of this Deed may be freely and unconditionally assigned, transferred or otherwise disposed of, in whole or in part, by the Lender to any other person.
32. The rights and remedies conferred upon the Lender under this Deed are cumulative and shall not prejudice any other rights or remedies to which the Lender may, independently of this Deed, be entitled.
33. This Agreement shall be governed by and construed in accordance with the laws of India and the courts specified in Schedule I hereof shall have jurisdiction in all matters connected herewith.
34. The Borrower shall take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable laws and regulations to consummate or implement expeditiously the transactions contemplated by, and the agreements and understanding contained in this Deed.
35. The Deed may be amended in writing by the Lender from time to time at its sole discretion and it shall give the Borrower, notification of any such amendments.
36. No delay or omission of the Lender in exercising any right accruing on it upon any default hereunder shall impair any such right or be construed to be a waiver thereof or any acquiescence in such default.
37. This Deed may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

Signature of the Borrower and the Guarantor(s)

In witness whereof the Borrower has been herein affixed the day and year first hereinabove written.

Pursuant to the resolution of its Board of Directors/ Trustees/ Members passed at their meeting held on _____
_____ in the presence of Mr. _____ (name and description) and
Mr. _____ (name & description) who have signed these presents in token thereof.

Date: _____

Place: _____

Signed and delivered by the Partners of _____ firm named mentioned below:-

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Date: _____

Place: _____

Signed and delivered by _____
(Name and Signature of Authorised Person)

Date: _____

Place: _____

Signature of the Borrower and the Guarantor(s)

Part a: General information

Effective date of the deed	
Name and address of the Borrower	
Name and address of the branch of the Lender	
Courts having exclusive jurisdiction	

Part B: Details of the facilities

1.	Amount of Facility	As mentioned in the Sanction Letter
2.	Nature of Facility	As mentioned in the Sanction Letter
3.	Facility Agreement	

Part C: Details of the hypothecated assets

(tick the applicable asset)

1. All the Borrower's present and future stock-in-trade consisting of stocks of raw materials, goods-in-process, semi-finished and finished goods, consumable stores, spares etc. which now or hereinafter from time to time during the continuance of these presents shall be brought in, stored or be in or above the Borrower's premises or godowns, at the godowns or premises of the Borrowers' agents or representatives or at various work sites or at any up country place or places wheresoever situated in India and/or in transit, whether now belonging to or that may at any time during the continuance of these presents belong to the Borrower and/ or that may be now or hereafter held by any party anywhere else in India to the order and disposition of the Borrower.

2. All the present and future book debts, outstandings, monies receivable, claims, bills, contracts, engagements, securities which are now due and owing or which may at any time hereafter, during the continuance of these presents, become due and owing to the Borrower in the course of its business by any person, firm, company, or body corporate or by the Government of India or any State Government or any government department or office or any municipal or local or public or semi-government body or authority or any body corporate or any undertaking or project whatsoever in the public sector.

3. Movable plant and machinery, equipment, appliances, furniture, Product(s), machinery spares and stores, tools and accessories, whether or not installed.

4. Related moveable's in the course of transit or delivery whether now belonging or which may hereafter belong to the Borrower or which may be held by any person at any place within or outside India to the order or disposition of the Borrower and all documents of title including bills of lading, shipping documents, policies of insurance and other instruments and documents relating to such moveable's together with benefits of all rights thereto.

In witness whereof the Borrower has been herein affixed the day and year first hereinabove written.

Signature of the Borrower and the Guarantor(s)

Pursuant to the resolution of its Board of Directors/ Trustees/ Members passed at their meeting held on _____
_____ in the presence of Mr. _____ (name and description) and
Mr. _____ (name & description) who have signed these presents in token thereof.

Date: _____

Place: _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Name _____ Signature _____

Date: _____

Place: _____

Signed and delivered by _____
(Name and Signature of Authorised Person)

Date: _____

Place: _____

[Disbursement Authorisation Letter](#)

Signature of the Borrower and the Guarantor(s)

To Manager,
Deutsche Bank AG, India

Re: Authority Letter for Disbursement

1. Deutsche Bank AG, India (hereinafter referred to as "Bank") has vide offer letter dated sanctioned a loan (hereinafter referred to as "Loan") to me/ us as per the details stated in the offer letter.
2. Pursuant to the sanction of the Loan, I/ we have executed a loan agreement dated ("Loan Agreement") with the Bank, which states the terms and conditions for disbursement of the Loan or part thereof to me/ us.
3. In terms of the Loan Agreement, I/ we hereby authorise the Bank to issue banker's Pay Order, a demand draft, or effect credit to a designated bank account evidencing the disbursement of the Loan or parts thereof as per the details below.

[Payment details:](#)

The loan funds are to be used for medium/ long term working capital.

Since the payment destination is not identifiable and/ or involves payments to multiple parties over a period of time, I/ we request the disbursement to be made to my/ our CC/ OD account as under:

Payee Details	Amount

I/ we understand and acknowledge that in case the loan is disbursed either by a Demand Draft or Pay Order, the interest/ EMI is payable from the date of issuance of the said Demand Draft or Pay Order irrespective of the date of actual receipt of funds by me or on behalf of me/ ourselves by the developer, seller or any other bank and financial institution. I/ we undertake not to dispute or contest this at any point of time.

Name and Signature (Affix seal as applicable)

Date:

[Disbursement authorisation letter](#)

Signature of the Borrower and the Guarantor(s)

To Manager,
Deutsche Bank AG, India

Re: Authority Letter for Disbursement

1. Deutsche Bank AG, India (hereinafter referred to as "Bank") has vide offer letter dated _____ sanctioned a loan (hereinafter referred to as "Loan") to me/ us as per the details stated in the offer letter.

2. Pursuant to the sanction of the Loan, I/ we have executed a loan agreement dated _____ ("Loan Agreement") with the Bank, which states the terms and conditions for disbursement of the Loan or part thereof to me/ us.

3. In terms of the Loan Agreement, I/ we hereby authorise the Bank to issue banker's Pay Order, a demand draft, or effect credit to a designated bank account evidencing the disbursement of the Loan or parts thereof as per the details below.

Payment details:

When payment is favouring a third party or is a refinance (please add multiple payees as required).

Payee Details	Amount

I/ we understand and acknowledge that in case the loan is disbursed either by a Demand Draft or Pay Order, the interest/ EMI is payable from the date of issuance of the said Demand Draft or Pay Order irrespective of the date of actual receipt of funds by me or on behalf of me/ ourselves by the developer, seller or any other bank and financial institution. I/ we undertake not to dispute or contest this at any point of time.

Name and Signature (Affix seal as applicable)

From:

Signature of the Borrower and the Guarantor(s)

Mr/ Ms/ M/s. _____
(Name and address of the borrowers)

To:
The Manager,
Deutsche Bank
_____ branch

Dear Sir,

With reference to the Credit facilities sanctioned to me/ us vide sanction Letter ref No _____
Dated _____, and being availed by us today, I/ we confirm having understood the following concepts and illustrative examples related to due dates, classification of our borrowal accounts as SMA/ NPA in the course of the conduct of the accounts.

Concepts/ clarifications/ Illustrative examples on Due dates and specification of SMA/ NPA classification dates

Dues:

mean, the principal/ interest/ any charges levied on the loan account which are payable within the period stipulated as per the terms of sanction of the credit facility.

Overdue:

mean, the principal/ interest/ any charges levied on the loan account which are payable, but have not been paid within the period stipulated as per the terms of sanction of the credit facility. In other words, any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.

Relevance of the Principle of 'First In First Out' (FIFO) in appropriation of payments into the borrowal account

The Principle of FIFO i.e., 'First In, First Out' accounting method is relevant to arrive at the No. of days of overdue for determining the SMA/ NPA status. The FIFO principle assumes that the oldest outstanding dues in the loan account needs to be cleared first. The FIFO method thus requires that what is due first must be paid by the borrower first. For example:

if in any loan account as on 01.02.2021 there are no overdues and an amount of Rs.X is due for payment towards principal instalment/ interest/ charges, any payment being credited on or after 01.02.2021 in the loan account will be used to pay off the dues outstanding on 01.02.2021.

Assuming that nothing is paid/ or there is partial payment (Rs Y) of dues during the month of February, the overdue as on 01.03.2021 will be Rs. X-Y.

Additionally, an amount of Rs. Z becomes due as on 01.03.2021, Now any payment/ partial payment into the account on or after 01.03.2021 will be first utilised to pay off the partial due of 01.02.2021 (Rs X - Rs. Y) If there is more recovery than the Rs X - Rs Y. then after recovering dues of 01.02.2021, the remaining amount will be treated as recovery towards due of 01.03.2021.

Age of oldest Dues

The age of oldest dues is reckoned in days from the date on which the oldest payment is due and continues to remain unpaid. In the aforesaid illustration, if the Dues relating to 1st February 2021 remain unpaid till 01.03 2021, the age of the oldest dues is reckoned as 29 days on 02.03.2021.

Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)

Lending institutions will recognise the incipient stress in loan accounts, immediately on Default, by classifying them as Special Mention Accounts (SMA) The basis of classification of SMA/ NPA Category shall be as follows:

Signature of the Borrower and the Guarantor(s)

Loans in the nature of Term Loans		Loans in the nature of cash credit/ over-draft	
SMA Subcategories	Basis for classification Principal or interest payment or any other amount wholly or partly overdue	Subcategories	Basis for classification Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of
SMA-0	Upto 30 days		
SMA-1	More than 30 days and upto 60 days	SMA-1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days	SMA-2	More than 60 days and upto 90 days

However, In case of NBFCs, the reference to 90 days for SMA-2 / NPA classification to be read as per the applicable norms and also subject to the provisions of the RBI Circular DOR CRE.REC.No.60/03.10.001/2021- 22 dated October 22,2021 on 'Scale Based Regulation (SBR): A revised Regulatory framework for NBFCs . Also . the asset classification norms of Agricultural advances which are based on Crop Season shall continue as hitherto.

Non-performing Asset

Non-Performing Asset (NPA) is a loan or an advance where:

- i. interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan,
- ii. the account remains 'out of order' as indicated below, in respect of an Overdraft/ Cash Credit (OD/ CC),
- iii. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- iv. the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- v. the instalment of principal or interest thereon remains overdue for one crop season for long duration crops.

'Out of Order' Status

An account shall be treated as 'out of order' if:

- i. the outstanding balance in the CC/ OD account remains continuously in excess of the sanctioned limit/ drawing power for 90 days, or
- ii. the outstanding balance in the CC/ OD account is less than the sanctioned limit/ drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/ OD account is less than the sanctioned limit/ drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

Illustrative movement of an account to SMA category to NPA category based on delay/ nonpayment of dues and subsequent upgradation to Standard category at day end process:

Due date of payment	Payment Date	Payment covers	Age of oldest dues in days	SMA/ NPA Categorisation	SMA since Date/ SMA class date	NPA Categorisation	NPA Date
01.01.2022	01.01.2022	Entire dues upto 01.01.2022	0	NIL	NA	NA	NA
01.02.2022	01.02.2022	Partly paid dues of 01.02.2022	1	SMA-0	01.02.2022	NA	NA
01.02.2022	02.02.2022	Partly paid dues of 01.02.2022	2	SMA-0	01.02.2022	NA	NA
01.03.2022		Dues of 01.02.2022 not fully paid 01.03.2022 is also due at EOD 01.03.2022	29	SMA-0	01.02.2022	NA	NA
		Dues of 01.02.2022 fully paid, Due for 01.03.2022 not paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
		No payment of full dues on 01.02.2022 and 01.03.2022 at EOD 03.03.2022	31	SMA-1	01.02.2022/ 03.03.2022	NA	NA
		Dues of 01.02.2022 fully paid, Due for 01.03.2022 not fully paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
01.04.2022		No payment of dues of 01.02.2022 01.03.2022 and amount due on 01.04.2022 at EOD 01.04.2022	60	SMA 1	01.02.2022/ 03.03.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.04.2022 at EOD 02.04.2022	61	SMA 2	01.02.2022/ 02.04.2022	NA	NA
01.05.2022		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 01.05.2022	90	SMA 2	01.02.2022/ 02.04.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 02.05.2022	91	NPA	NA	NPA	02.05.2022
01.06.2022	01.06.2022	Fully Paid dues of 01.02.2022 at EOD 01.06.2022	93	NPA	NA	NPA	02.05.2022
01.07.2022	01.07.2022	Paid entire dues of 01.03.2022 and 01.04.2022 at EOD 01.07.2022	62	NPA	NA	NPA	02.05.2022
01.08.2022	01.08.2022	Paid entire dues of 01.05.2022 and 01.06.2022 at EOD 01.08.2022	32	NPA	NA	NPA	02.05.2022
01.09.2022	01.09.2022	Paid entire dues of 01.07.2022 and 01.08.2022 at EOD 01.09.2022	1	NPA	NA	NPA	02.05.2022
01.10.2022	01.10.2022	Paid entire dues of 01.09.2022 and 01.10.2022	0	Standard Account with No Overdues	NA	NA	STD from 01.10.2022

Credits received before the day-end-process are considered for calculation of delinquency at the time of undertaking the Asset Classification process. Any credit received subsequently are treated as receipts for the subsequent day.

Day- end process

It is further clarified that borrower accounts will be flagged as overdue by the bank as part of day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as SMA as well as NPA will be done as part of day-end process for the relevant date and the SMA or NPA classification date will be the calendar date for which the day end process is run. In other words, the date of SMA/NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

Example

If due date of a loan account is March 31, 2024, and full dues are not received before bank runs the day-end process for this date, the date of overdue shall be March 31, 2024. If it continues to remain overdue, then this account will be tagged as SMA-1 upon running day-end process on April 30, 2024 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account will be April 30, 2024.

Similarly, if the account continues to remain overdue, it will be tagged as SMA-2 upon running day-end process on May 30, 2024 and if continues to remain overdue further, it will be classified as NPA upon running day-end process on June 29, 2024.

I/ we also understand that the aforesaid few examples are illustrative and not exhaustive in nature covering common scenarios, and that, the IRACP norms and clarifications provided by RBI on the subjects referred above will prevail.

Yours faithfully,

(Borrower/s)

Date:

Place:

Signature of the Borrower and the Guarantor(s)

Specimen Signature

Name	Short signature/ Initials specimen	Signature



For bank use only

Name
LOS # Loan Amount #