Agreement for Guaranteed Emergency Credit Line

Between

and Deutsche Bank AG, India

This Guaranteed Emergency Credit Line (GECL) 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 proprietor of sole proprietorship, the heirs, executors and administrators of such 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 to address the issue of liquidity / cash flow mismatch on account of the present outbreak of COVID- 19, the Borrower has opted for the Government of India “Guaranteed Emergency Credit Line” (**GECL**) and has requested the Bank to provide additional Working Capital Term Loan under GECL 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:-

1 The Borrower agrees to borrow from the Bank and the Bank, relying on the representations, covenants and undertaking of the Borrower set forth herein agrees to lend to the Borrower working capital facility stated in the Schedule to this Agreement.

1.1 The Borrower has availed of a       loan from the Bank (Trade & Working Capital / Business Instalment Loan / Unsecured Business Loan / Loan Against Property Loan) in the year       for the aforesaid purpose (**Loan Agreement**) and executed the Security Documents (defined below) for securing the loan thereunder.

1.2 **Definitions**

The following definitions apply throughout this Agreement unless the context otherwise requires:-

"**Assets**" means in relation to the (Trade & Working Capital/Business Instalment Loan / Unsecured Business Loan / Loan Against Property Loan), all present and future stocks, raw materials, goods, book debts, 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 or immovable asset, offered or caused to be offered as security/ secured in favour of the Bank by the Borrower for the due repayment of the Trade & Working Capital/Business Instalment Loan / Unsecured Business Loan /Loan Against Property Loan including all interest/ commission, cost, charges, expenses in respect thereof, granted/ to be granted by the Bank.

**“Repo Linked Benchmark Lending Rate (RBLR)”** means reference rate for your loan, which is benchmarked, to the Repo Rate published on a predetermined date by the Reserve Bank of India from time to time. The RBLR will be determined by adding a markup (part of spread) to the Repo Rate published by RBI as detailed in the Schedule. In the event the predetermined date is not a Business Day, then the immediately succeeding Business Day’s rate will be used. The RBLR as arrived at above will be published by the Bank and shall act as the reference rate for determining the applicable Rate of Interest payable on the Loan.

"**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.

"**Default Interest Rate**" means the rate at which the Bank shall compute and apply interest on all amounts not paid when due for payment (or reimbursement) by the Borrower to the Bank, as specified in the Schedule or as may be amended from time to time by the Bank.

"**EMI**'' or "Equated Monthly Installment" shall mean the amount of monthly payment necessary to amortize the Loan with interest, over the tenor 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 tenor.

**“Eligible Borrower”** shall have the same meaning ascribed to it in the GECL.

**“Floating Rate”** shall mean the applicable interest rate announced by the Bank as per the RBLR to the Loan with a margin, if any, as may be decided by the Bank from time to time as specified in the Schedule.

“**Interest Rate**” means the interest calculated using RBLR + 1 % spread subject to a maximum of 9.25% per annum.

"**Prepayment**" means premature repayment of the Loan in full by the Borrower ahead of the repayment tenor 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 created over the Assets of the Borrower in favour of the Bank for the purpose of securing the Trade & Working Capital/Business Instalment Loan / Unsecured Business Loan //Loan Against Property Loan..

**Security Documents** means:

* + 1. the Guarantee; and/or
		2. the demand promissory note issued by the Borrowers in favour of the Lender for the Facility Amount; and/or
		3. the letter of continuity issued by the Borrowers; and/or
		4. Deed of Hypothecation; and/or
		5. Guarantee and Memorandum of Pledge; and/or
		6. 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 the Finance Documents.

executed by the Borrower in favour of the Bank for the purpose of securing the Trade & Working Capital/Business Instalment Loan / Unsecured Business Loan / Loan Against Property Loan.

"**Schedule**" means the Schedule amended to this Agreement, as may be appended or modified by the Bank from time to time in respect of fees, rates and charges as applicable on the Loan. The amended Schedule shall be available in all the branches of the Bank and at the website of the Bank. Such amended Schedule shall supersede the fees, rates and charges stated in the Schedule to this Agreement.

"**Loan**" means a working capital term loan facility being made available to the Borrower by the Bank under this Agreement under the GECL.

1.3 The Loan under the GECL has been agreed to be extended by the Bank to the Borrower on the explicit representation made by the Borrower that they are an Eligible Borrower under the GECL scheme and that their combined outstanding loans across all Member Lending Institution of does not exceed Rs. 50 crore as on 29 February 2020, and their annual turnover does not exceed o Rs. 250 crore for FY 2019-20

1.4 **Purpose of Loan.** To augment net working capital, meet operating liabilities and restart operations once the restrictions imposed due to COVID-19 pandemic are eased.

1.5 **Interest.** The Interest Rate applicable on the Loan shall be as 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 credit in the operative account, issuance of disbursement pay order/ demand draft or otherwise, without the Bank itself with the receipt of such disbursement by the beneficiary/ recipient and also with the realization of such Pay Order/ Demand Draft or the time taken in such realisation.

1.6 **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.

1.7 Interest rate reset dates for floating loans would be Jan 16, Apr 16, Jul 16 and Oct 16 of each calendar year during the loan tenor

1.8 RBLR is the rate to which your floating rate loan is benchmarked. Applicable RBLR for your loan shall be mentioned in the schedule. The Borrower is aware that RBLR prevailing on the date of first disbursement shall be applicable till the next reset date irrespective of the changes in the benchmark in the interim. Similarly effect of any subsequent change of RBLR due to change in the applicable Repo shall be applicable from the next reset date irrespective of the changes in between two reset dates

1.9 **Security**

1. The Borrower confirms that Security created under the Loan Agreement shall extend to this Loan as well and the charge in respect to this Loan will rank second to the charge created to secure the Trade & Working Capital / Business Instalment Loan / Unsecured Business Loan / Loan against Property Loan.
2. The Borrower agrees and undertakes to execute such further and other documents as shall be required for the purpose of extending the charge or creating Subsequent/Second Charge in respect of this Loan to the Security already created. Such documents shall construe an integral part and parcel of this Agreement.
3. The Borrower agrees that it shall not create further charge on the security/ies held with the Bank in favour of any Bank/Financial Institution/person without prior approval from Bank.
4. All the covenants and undertakings provided by the Borrower with respect to the Security shall apply to the Loan hereunder and the same are incorporated by reference hereunder.

1.10 The Borrower agrees, undertake and confirm that:-

1. That necessary approval has been taken from the Board of Directors/General Body (If applicable) for availing the Loan.
2. That the Loan proposed to be availed does not in any manner violate the provisions of the constitution document(s) of the Borrower.
3. That the funds will be utilised for business purposes i.e as working capital and to pay off operating expenses. The funds shall not be utilized/diverted for any other purpose or personal investments.
4. That I/we shall execute the necessary documents for creation of securities as prescribed by the Bank. The security formalities shall be completed within three months from the date of disbursement.
5. No change whatsoever in the constitution of the Borrower regardless of whether the same is with or without the consent of the Bank shall impair or discharge the liability of the Bank to the Borrower hereunder.
6. The Borrower shall not dispose of the Secured Assets or compromise with any of its creditors without the prior written consent of the Bank.

2 **Repayment.**

(a) There shall be a moratorium of one year on the principal amount from the date of disbursal of the Loan. The applicable interest would need to be paid on a monthly basis, even in this one-year moratorium

(b) the principal amount of the Loan shall be repaid in 36 months, after the moratorium period.

 (c) 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 branch of 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 default interest, fees, charges, taxes, claims, costs and expenses charged to the Loan account; or

(c) Repayment of interest tax or any other statutory levies or cess, as may be notified by the Bank to the Borrower.

(d) The Borrower shall issue Standing instructions (SI) or authorize payment to the Bank through the National Automated Clearing System (NACH) / Electronic Clearing Services (ECS) 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 realization of cheques / demand drafts NACH/ ECS/ 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 NACH/ ECS/ SI from one bank to another for any reason whatsoever, the Borrower may with the 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.

(e) The Borrower shall be liable to repay to the Bank the loan amount together with the interest agreed to between the Bank and the Borrower or as maybe intimated by the Bank in writing from time to time and the Borrower shall not dispute the same.

(f) **Prepayment.** At any time from the date of disbursement, the Borrower shall be entitled to prepay the Loan, in full, as per the rules of the Bank, 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.

3. **Disclosures**/**Consents**

3.1 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 authorised by the RBI in this regard. In this regard, CIBIL and/ 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 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.

3.2 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 or has transferred or assigned the whole or part of the Loan.

4. **End Use.**

 The Borrower agrees and undertakes that it shall utilize 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 from 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 books of accounts and other relevant documents as deemed fit by the bank. The Borrower also recognizes 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 recognizes 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 Loan without any notice.

5 **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.

6 **Insurance**.

The Borrower shall comprehensively insure and keep insured its Assets 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.

7 **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.

8 **Bank's Right to inspec**t.

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.

9 **The 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;

1. 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 default interest rate, 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;
2. To receive and adjust any payment it may receive as an assignment of the insurance policy in relation to the property and on the life 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.
3. 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 EMl’s 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);
4. Have the right, at its discretion, to demand all residual charges including but not limited to any default interest, fees, late payment charges, costs, etc., remaining unpaid by the Borrower, on maturity of the loan; and
5. 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 tenor 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.

10. **Set-Off**

10.1 In addition to any general lien or similar right to which the Bank is in law generally entitled, the Bank may at its discretion use and enforce its right of set-off and cross default between all the facilities sanctioned to the Borrower in an event of default to recover the outstanding amounts from the Borrower.

10.2 The Borrower hereby authorize 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.

11 **Appropriation**

 The Borrower agree and confirm that the Bank may at its absolute discretion appropriate any payments made by the Borrower under the facilities towards another agreement or transaction entered into by the Borrower and/or towards any other indebtedness of the Borrower and such appropriation shall be final and binding upon the Borrower and the Borrower shall continue to remain liable to the Bank for payment of dues under this facility in respect of which such sums of money were so paid but were appropriated towards another agreement or transaction entered into by the Borrower or towards another indebtedness of the Borrower.

12 **Cross Default/Right to Dispose the Security**

 In addition, the Borrower hereby expressly give the Bank the power to sell/transfer or otherwise dispose of any and all security created in favour of the Bank under the security documents or deposited with the Bank or under its possession or control and appropriate the same towards satisfaction of amounts due to the Bank on account of another agreement or transaction entered into by the Borrower and/ or the indebtedness of the Borrower. It is also agreed, acknowledged and understood by the Borrower that if you commit a default under this Agreement then such default shall be and deemed to be a default of all the other facilities availed of by the Borrower, and notwithstanding anything contrary elsewhere contained in any writing or otherwise, and the Bank shall regard all borrowings by the Borrower as immediately due and payable and the Bank shall be entitled to recall all the facilities granted to the Borrower and also utilize and enforce any mortgage, charge, pledge, hypothecation, lien or any other security interest “Security” created and subsisting as on date towards recovery of its dues under the facilities.

13 **Continuing Security**

a. The Security hereby given under this Agreement or under any document in terms of this Agreement or otherwise at any time given to the Bank shall be and remain a continuing security to the Bank and accordingly shall:

1. be binding upon the Borrower its successors and assigns;
2. shall extend to cover the Borrower's dues hereunder or otherwise;
3. shall not be discharged by any intermediate payment by the Borrower or any settlement of accounts between the Borrower and the Bank;
4. shall be in addition to and not in substitution for or derogation of any other security which the Bank may at any time hold in respect of the Borrower's Dues/obligations hereunder; and
5. shall be a Security for all amounts due and payable by the Borrower for all sums due by the Borrower to the Bank, whether under this Agreement or otherwise.

b. The security created and indemnities and undertakings given herein and/or by the security documents executed in favour of the Bank for the facilities shall operate as continuing security and/or indemnities and/or undertakings for all moneys indebtedness and liabilities of the Borrower under the facilities and will operate as security and/or indemnities and/or undertakings for the ultimate balance or aggregate balance with interest thereon and costs charges and expenses if any to become payable upon the account(s) to be opened and the said account(s) is/are not closed and is/are not to be considered to be closed for the purpose of such security and/or indemnity and/or undertaking and the security and/or indemnity and/or undertaking is not to be considered exhausted merely by reason of the said account(s) being closed and fresh accounts being opened in respect of fresh facilities being granted within the overall limit sanctioned to the Borrower or either or any of them being brought to credit at any time or from time to time or any partial payments made thereto or any fluctuations of such account(s) and if the whole of the Borrower's dues shall be repaid and the whole of the security be withdrawn the account(s) or either or any of them may nevertheless at any time before such account(s) has or have been closed, be continued under this Agreement upon the security as aforesaid being again furnished.

c. 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) 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.

d. Any document executed in lieu of availing this additional loan facility such as Deeds, Memorandums, indemnities, securities, etc, shall construe an integral part of this Agreement and will be covered under the aegis of the terms & conditions stipulated, fabricated & set out in this agreement.

14. **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 spread 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.

15 **Condition Precedents**

The Bank shall not be obliged to disburse all or any of the Facilities unless and until:-

1. The Borrower has delivered to the Bank a certified true copy of the Borrower's constitutional documents viz., Memorandum and Articles of Association and Certificate of Incorporation or Deed of Partnership or true copy of such other document under which the Borrower is/are constituted/ incorporated (as the case may be), as amended up-to-date as also certified true copies of authorizations from the Board of Directors/ Resolution of the Partners for the purpose of availing GECL loan facility as also execution of the necessary documents in this behalf as also other documents as may be prescribed by the Bank from time to time; and
2. The Borrower has created and/or procured the creation of such security in favour of the Bank as the Bank may from time to time specify for the repayment payment of the Borrower's Dues; and
3. The Borrower has executed and/or delivered to the Bank such demand promissory notes, guarantees and other documents as the Bank may from time to time require; and
4. The “Know Your Customer” (KYC) and such other conditions as may be prescribed by RBI from time to time, are complied with by the Borrower / Security Provider.

16. **Taxes**

16.1 The Borrower hereby agrees to comply with the below stated tax related conditions (below tax clause is applicable for the client located 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. A copy of the certificate for the period 1st April 2019 to 31st March 2020 will be available on request. The WHT exemption certificate entitles DB to receive funds 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 DB.

(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 Income Tax Rules, 1962. In such a scenario, if the gross amount of interest is paid to DB either (i) by way of recovery from the Borrower’s bank account with DB, under the instructions from the Borrower or (ii) through any other means, the Borrower shall submit the evidence of tax (as applicable) deposited on such interest along with WHT / TDS certificate to DB. Upon receipt of such evidence, DB shall reimburse to the Borrower the amount of such tax so deposited by the Borrower.

 (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 10 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 such time period, the Company 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.

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

(v) The Permanent Account Number (PAN) of the Borrower(s) is

**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) 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 which results in tax, interest or penal liability to DB, such liability should be borne by the Borrower. 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 Tax invoice issued from the date of provision of GSTIN by Client.

(iv) The Borrower agrees that they would carry out necessary actions (e.g. accept / modify / reject) on the GST Portal in respect of details of Tax Invoice / Debit Note / Credit Note uploaded by DB in outward supply returns under relevant Tax Laws, in a timely manner. In the event the Borrower fails to carry out such actions resulting in tax, interest or any other liability for DB, such liability shall be borne by the Borrower.

(iv) The Borrower agrees that they would carry out necessary actions (e.g. accept / modify / reject) on the GST Portal in respect of details of Tax Invoice / Debit Note / Credit Note uploaded by DB in outward supply returns under relevant Tax Laws, in a timely manner. In the event the Borrower fails to carry out such actions resulting in tax, interest or any other liability for DB, such liability shall be borne by the Borrower.

“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.

16.2 The Borrower hereby agrees to comply with the below stated tax related conditions (below tax clause is applicable for the client located outside India):-

**Direct Taxes**:

DB holds withholding tax (‘WHT’) exemption certificate issued by the tax authorities under section 195(3) of the Income Tax Act, 1961. This is valid for the financial year 2018-19 (1 April 2019 to 31 March 2020). Accordingly, no WHT is required on payments to DB by the Company. The copy of the subject WHT exemption certificate will be handed over to the Company either upfront or when requested.

For any subsequent year, DB would hand over the copy of the WHT exemption certificate as and when DB obtains it from the concerned tax authorities. In case of the WHT exemption certificate copy is not made available upfront, the Company agrees to approach DB for obtaining the WHT exemption certificate before making payment to DB.

Post asking by the Company, if WHT exemption certificate is not made available and if the Company is required to make a tax deduction from payment to DB, the Company shall make that Tax deduction and deliver to DB a tax deduction certificate in the format prescribed under the Income Tax Rules, 1962 and within the timelines prescribed under the Income Tax Rules, 1962.

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

‘Taxes’ means all forms of present and future taxation including but not limited to (i) direct taxes on income including Tax Deducted at Source (referred to as TDS or WHT) and (ii) Indirect Taxes including goods and service tax (GST) or any Tax of similar nature) and any interest, additional taxation penalty, surcharge or fine arising out of any misrepresentation , or omission on part of the Company in connection therewith, and “Taxes” shall be construed accordingly.

**Under Tax Laws of the Country other than India:**

All fees and other amounts payable to DB pursuant to this Agreement shall be paid free and clear of, and without deduction or withholding on account of, Taxes of any kind.

If any Taxes are levied or imposed, the Company agrees to bear on its own account and pay the full amount of such Taxes, and such additional amounts as may be necessary so that every net payment of all amounts, after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein.

The responsibility to deposit such applicable taxes and to carry out other compliance in respect of such taxes shall remain the responsibility of the Company.

‘Taxes’ here includes but are not limited to direct taxes on income (in Indian context taxes such as ‘Income Tax’ including Tax Deducted at Source ( referred to as TDS or WHT and in the context of country outside India Income Tax and or any other similar taxes including Withholding Taxes ) Indirect Taxes (in Indian context taxes such as service tax , value added tax, goods and service tax and/ or other similar taxes presently applicable or may become applicable in future, and in the context of country outside India Goods & Service Tax also referred to as GST , Value Added Tax also referred to as VAT etc. and/or other similar taxes presently applicable or may become applicable in future).

**17. 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:

1. The Borrower fails to pay to the Bank any amount when due and payable under this Agreement or any other agreement or the NACH/ ECS/ SI is cancelled/ withdrawn for any reason whatsoever;
2. 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;
3. 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;
4. any information provided by the Borrower to avail the loan or any representations or warranties herein expressed are found to be incorrect or misleading;
5. 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 initiate any proceedings for being declared bankrupt;
6. The Borrower fails to create the security as per the demand of the Bank or give NACH/ ECS/ SI or submit additional documents or submit requisite proof of end use of the loan amount to the Bank as provided herein;
7. The Borrower, being a company/ partnership firm, takes any corporate action or other steps or legal proceedings are threatened against the Borrower for its winding up, dissolution, administration or re-organization 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;
8. 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
9. The Borrower fails to furnish the financial statements or any other information requested by the bank in terms of this agreement
10. Material adverse news reports/ litigations against the Borrower(s) that may have a material adverse effect on its functioning/ business operations;
11. Any action is commenced or threatened against the Borrower that is likely to adversely affect the Borrower in performing its obligations under this Agreement;
12. 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.
13. The Borrower fails to pay any amount when due and payable on other loans/ facilities availed from the bank or any other financial institution.
14. Deterioration in the business activities of the borrower or general industry / segment that the borrowers business is a part of
15. Decline in performance of the borrower on credit facilities or decline in score as reported by Credit Information companies
16. The Borrower fails to submit end use documents or any other document required by the Bank from time to time
17. 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
18. Dissolve or admit new partners in the partnership without prior written consent from the Bank, in case the Borrower is a partnership firm.

18. **The Bank's remedies**.

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

 (i) To enforce and realize 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 including action for dishonour of cheques under section 138 of Negotiable Instruments Act; 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 it's 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

19 **Expenses of Preservation of Assets of the Borrower and of Collection**.

19.1 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.

19.2 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.

19.3 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 authorized officer of the Bank, without any production of any other voucher, document or paper.

20 **Assignment and Transfer.**

a. 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 including the security if and when created in its favour 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.

b. 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.

**21. 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.

22. **Stamp Duty & 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, on the document(s) creating any security in favour of the Bank, if demanded by the Bank as well as on all other instruments executed in relation to the Loan.

**23. 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.

24. **Entire agreement**.

The parties confirm that this agreement and its schedule and any other documentation pursuant to it or referenced in this Agreement to form a part of this Agreement shall represent one single agreement between the parties.

25. **Governing laws and jurisdiction**.

Laws of India shall govern this Agreement, the security 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, the security and other documentation executed pursuant hereto.

26 **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.

27. **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.

28 **Counterparts.**

This Agreement may be signed in duplicate, each of which shall be deemed to be an original.

29. **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](http://www.deutschebank.co.in). The current version of the recover policy of the Bank is appended to this agreement as Annexure A.

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

 (In case of a Company)

Signed and delivered by the Borrower(s)

      (name of the Company)

Through its authorized signatory

Mr./Ms./Mrs.       Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Place:       Date:

(In case of Partnership firm/ LLP)

Signed and delivered by the Borrower(s)

      (name of the Partnership firm)

Through its Partners

Mr./Ms./Mrs.       Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

and Mr./Ms./Mrs.       Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(NOTE: Affix Rubber Stamp of the Firm)

Signed and delivered by within named Mr.       (name & description)

M/s.       (name of the sole proprietorship firm)

Signed and delivered by the within named

Deutsche Bank AG by the hand of

Mr./Ms./Mrs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

and Mr./Ms./Mrs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

its Authorised Signatories

SCHEDULE

|  |  |
| --- | --- |
| 1 Place of Agreement: |       |
| 2 Date of Agreement |       |
| 3 Name of the Borrower  |       |
| 4 Address of the Borrower and for the purpose of service of Notices  |       |
| 5 Address of the Branch office of the Bank for the purpose of service of Notices  |       |
| 6 Loan Amount  | Rs.      /- (Rupees      ) in the nature of a working capital term loan.  |
| 7 Tenure  | 48 Months (including 12 month Principal Moratorium) |
| 8 Number of installments  | 12 monthly-interest payments, followed by 36 EMIs |
| 9 Principal Moratorium  | Start Date      End Date       |
| 10 Interest Amount payable during Principal Moratorium Period  | Means interest at the rate specified in this Schedule from the date/ respective dates of disbursement up to the date immediately prior to the date of commencement of EMI rounded off to the next rupee and includes: (i) moratorium/ holiday period for payment of interest granted at the discretion of the Bank; or(ii) simple interest levied for repayment of principal amount of Loan. |
| 11 Instalment Start Date  |       |
| 12 Value of instalments  | All instalments of Rs      /- (Rupees      ) each  |
| 13 Day on which interest will be charged to the account each month  | 5th |
| 14 Penal Interest  | 24% per annum on the overdue / unpaid /delayed amount payable.Penal Interest will be charged for the number of days for which the payable amount remains unpaid. |
| 15 Prepayment Charges | NIL |
| 16 Administrative Fees, if any | NIL |
| 17 Charges for unsuccessful execution of Standing Instruction for payment / Cheque Dishonour / NACH / ECS  | As per Bank’s published Schedule of Charges. Please visit any branch of the Bank or [www.deutschebank.co.in](http://www.deutschebank.co.in) to view the Schedule of Charges. |
| 18 Switch Fee / Rescheduling / Repricing Charges  |
| 19 Tax (applicable on fees and charges)  |
| 20 NACH / ECS / SI swap charges  |
| 21 Duplicate Statement issuance Charges  |
| 22 Purpose of the loan  | To augment net working capital, meet operating liabilities and restart operations. |
| 23 Date of disbursal of the Loan amount or any part thereof.  |       |
| 24 Interest RateThe Interest Rate shall be linked to the RBLR, which is determined by adding RBI Repo Rate to a markup. The markup comprises of factors like Operating Cost, ALM cost or any other parameter determined by the Bank from time to time. Repo Rate published by the Reserve Bank of India (RBI) is the external benchmark rate 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.The Bank reserves the right to determine its actual lending rate on loans and advances, with reference to the RBLR, by including a spread of 1%. The spread over the RBLR which shall be determined by the Bank taking into account factors like credit risk premium, business strategy 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.Applicable RBLR: RBLR published on 10TH OF EVERY MONTH will be the applicable Benchmark rate for your loan. |
| 25 RBLR  |      % |
| 26 Floating rate on interest  | RBLR + Spread      % =      %  |
| 27 Frequency of review of the rate of interest  | Every quarter on 16th January, 16th April, 16 th July and 16th October  |
| First Reset Date  |       |

ANNEXURE A

Policy on Collection of Dues and Repossession of Security

**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 repossession of security 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 Installments (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.

Bank’s Security Repossession Policy aims at recovery of dues in the event of default and is not aimed at whimsical deprivation of the property. The policy recognizes fairness and transparency in repossession, valuation and realization of security. All the practices adopted by the Bank for follow up and recovery of dues and repossession of security will be in consonance with the law.

**2. General Guidelines:**

All the members of the staff or any person authorized to represent our Bank in collection or/ and security repossession 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 authorized 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 authorized to represent the Bank in collection of dues or/ and security repossession 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 honored 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 including repossession of the security without giving due notice in writing. Bank will follow all such procedures as required under law for recovery/ repossession of security.

**4. Repossession of Security**

Repossession of security is aimed at recovery of dues and not to deprive the borrower of the property. The recovery process through repossession of security will involve repossession, valuation of security and realization of security through appropriate means. All these would be carried out in a fair and transparent manner. Repossession will be done only after issuing the notice as detailed above. Due process of law will be followed while taking repossession of the property. The Bank will take all reasonable care for ensuring the safety and security of the property after taking custody, in the ordinary course of the business.

**5. Valuation and Sale of Property**

Valuation and sale of property repossessed by the Bank will be carried out as per law and in a fair and transparent manner. The Bank will have right to recover from the borrower the balance due if any, after sale of property. Excess amount if any, obtained on sale of property will be returned to the borrower after meeting all the related expenses provided the Bank is not having any other claims against the customer. Where the Borrower is registered under GST law, the Borrower shall ensure that all the provisions, of the GST law, including any rules/ regulations or any amendments thereto are adhered to and complied with by the Borrower. In case where the Borrower is not registered under the GST, the Borrowers shall submit the documents in support of the purchase price of the hypothecated goods. The Borrower shall be continue to be responsible towards the withholding tax under the Income Tax Act, 1961 on disposal of the hypothecated goods.

**6. Repossession of Security**

As indicated earlier in the policy document, the Bank will resort to repossession of security only for the purpose of realization of its dues as the last resort and not with intention of depriving the borrower of the property. Accordingly the Bank will be willing to consider handing over possession of property to the borrower any time after repossession and before concluding sale transaction of the property, provided the Bank dues are cleared in full. If satisfied with the genuineness of borrower’s inability to pay the loan installments as per the schedule which resulted in the repossession of security, the Bank may consider handing over the property after receiving the installments in arrears. However, this would be subject to the Bank being convinced of the arrangements made by the borrower to ensure timely repayment of remaining installments in future.

DEED OF HYPOTHECATION OF STOCKS & BOOK DEBTS

To

Deutsche Bank AG

      Branch

THIS UNATTESTED DEED OF HYPOTHECATION ("Deed") made at       (place of execution) 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)

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)

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 |
| Guaranteed Emergency Credit Line |       |

(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**");

(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, realization 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-

RBLR       + Spread       =      % (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 beat 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. 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.

12. 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 realize 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 realization and to pay any shortfall or deficiency thereby shown.

13. If the net sum realized 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 realized.

14. 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.

15. 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 authorized officer of the Bank, without any production of any other voucher, document or paper.

16. 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 authorize 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.

17. 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.

18. 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.

19. 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.

20. 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 realization 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.

21. 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).

IN WITNESS WHEREOF the Common Seal of the Borrowers has been hereunto affixed the day and year first herein above written.

THE COMMON SEAL OF.

      (name of the borrower), the

Constituent herein has been affixed to these presents pursuant to the resolution of its Board of Directors passed at their meeting held on       in the presence of

Mr.       (name & description) and

Mr.       have signed these presents in token thereof.

OR

SIGNED AND DELIVERED BY withinnamed Mr.       (name & description)

M/s.       (name of the sole proprietorship firm)

OR

SIGNED AND DELIVERED BY

Mr.       Mr.       and Mr.

Partners carrying on business in the name and style of

M/s.       (name of the partnership firm)

Signature of Borrower(s) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

POWER OF ATTORNEY

      (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), does authorise, appoint, constitute and retain DEUTSCHE BANK AG, a corporation duly organized and existing under the laws of Federal Republic of Germany and herein represented through its branch in India located at       to be its true and lawful attorney (the “Attorney”), to do the acts, deeds, matters and things in its name as more particularly set out below.

1. The Attorney is authorised to do whatever the Borrower may be required to do under the Deed of Hypothecation dated       executed by the Borrower in favour of the Attorney (“Deed”) and generally to use the name of the Borrower in the exercise of all or any of the powers conferred on the Attorney under the Deed and the Borrower will bear the expenses that may be incurred in this regard.

2. Without prejudice to the generality of paragraph 1 above, the Attorney may:

(a) execute all instruments and deeds and do all acts, deeds, matters and things which:

(i) the Borrower is authorised to execute and do under the covenants and provisions contained in this special power of attorney; and

(ii) may be necessary to give effect to the provisions of the Deed and for the preservation, enforcement and realisation of the Security therein created; and

(b) generally use the name of the Borrower in the exercise of all or any of the powers conferred on the Attorney under the provisions of the Deed.

3. For the purposes of this document, all capitalised terms used and not defined in this special power of attorney will have the meaning ascribed to them in the Deed.

4. The Borrower hereby issues an irrevocable special power of attorney and further ratifies and confirms all actions taken by its Attorney or his substitute, in this regard, on its behalf and revokes all previous authorisations, if any, in respect of the above.

5. The Borrower agrees that this power of attorney is coupled with interest.

6. The Borrower agrees that the Attorney may at any time, appoint and remove at its sole absolute pleasure and discretion any substitute under such Attorney in respect of all or any of the matters aforesaid.

In witness whereof the Borrower has executed this Power of Attorney on the day and date mentioned below:

The common seal of       was affixed hereunto pursuant to the resolution passed by the Board of Directors in their meeting held on       in the presence of      , who has accordingly signed the same.

OR

SIGNED AND DELIVERED BY withinnamed Mr.       (name & description)

M/s.       (name of the sole proprietorship firm)

OR

SIGNED AND DELIVERED BY

Mr.       Mr.       and Mr.

Partners carrying on business in the name and style of

M/s.       (name of the partnership firm)

Signature of Borrower(s) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date:

Place:

Version: 082020-v3