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# **COMMON TERM LOAN AGREEMENT BUSINESS EXPANSION LOAN**

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# LOAN AGREEMENT

This Loan Agreement ("**Agreement**") made on the day mentioned in Serial no. A of Schedule A hereto and at the place mentioned in Serial no. B of Schedule A hereto, by and between:

**RELIANCE COMMERCIAL FINANCE LIMITED**, a company within the meaning of the Companies Act, 2013 and a non-banking finance company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 having CIN U66010MH2000PLC128301 and having its registered office as more particularly set out in Serial no. D of Schedule A hereto, and acting for these presents through its branch office mentioned in Serial no. E of Schedule A hereto (hereinafter referred to as the "**Lender**" or "**RCFL**" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **One part**;

## AND

The borrower whose name and address are stated in Serial No E of Schedule A hereof, hereinafter called the "**Borrower(s)**" (which expression shall unless the context otherwise requires include (i) in the event that it is a company within the meaning of the Companies Act, 1956 or Companies Act, 2013 or a Limited Liability Partnership, incorporated under the Limited Liability Partnership Act, 2008, its successors; (ii) in the event that it is a partnership firm for the purposes of the Indian Partnership Act, 1932, the partners for the time being and from time to time and their respective legal heirs, executors and administrators, legal representatives and successors; (iii) in the event that it is a sole proprietorship, the sole proprietor and his/ her legal heirs, administrators, executors and legal representatives; (iv) in the event that it is an individual, his/her legal heirs, administrators and executors; (v) in the event that it is a Hindu Undivided Family (HUF), the Karta and any or each of the members of the HUF and their survivor(s) and his/her/their respective heirs, executors and administrators; (vi) in the event that it is a Society, the members of the Society for the time being and any new members co-opted from time to time; (vii) in the event that it is a Trust, the Trustee or all the Trustees for the time being thereof and from time to time and their successors) of the **Other Part**.

The Borrower and the Lender shall be hereinafter collectively referred to as "**Parties**" and individually as "**Party**", as the context may require.

## WHEREAS:

- (i) The Borrower is in need of financial assistance for the purpose as set out in Serial no. I of Schedule A hereto ("**Purpose**") and for this Purpose the Borrower has approached the Lender.
- (ii) Relying on the statements made by the Borrower, RCFL has agreed to sanction to the Borrower certain credit facility/ies, brief particulars whereof are given in Schedule A hereto and which credit facility/ies are hereinafter collectively referred to as "**the said Credit Facility/ies**", for a sum as more particularly set out in Serial no. H of Schedule A hereto (the "**Principal**").
- (iii) One of the prerequisites stipulated by RCFL for sanction of the said Credit Facility/ies is that in consideration of the sanction of the said Credit Facility/ies, the Borrower shall execute in favour of RCFL an Agreement in RCFL's prescribed form, being these presents, inter alia, the terms and conditions of the grant of the said Credit Facility/ies, and in consideration of RCFL having agreed to sanction the said Credit Facility/ies, the Borrower hereby executes these presents.

## NOW THIS AGREEMENT WITNESSES THAT THE BORROWER HEREBY AGREES WITH, AND UNDERTAKES TO RCFL AS FOLLOWS:

### 1. Definitions:

The following definitions apply throughout this Agreement unless otherwise stated:

- a. '**Additional Interest**' shall have the meaning assigned to such term in Article 4.c;
- b. '**Agreement**' means this agreement, all schedules, annexures, exhibits and any amendment made there to from time to time by the parties hereto in writing;
- c. '**Borrower's Dues**' shall mean all amounts payable to the Lender by the Borrower pursuant to the terms of the Transaction Documents including, without limitation:
  - i. the principal of the Credit Facility/ies, Interest and all other obligations and liabilities of the Borrower, including any further interest, liquidated damages, Additional Interest, indemnities, expenses, fees (including upfront fees) commissions, charges, taxes, incurred under, arising out of or in connection with any Transaction Documents;
  - ii. any and all sums incurred by the Lender in order to preserve the Security Interest over the Security created/ to be created for the purposes of Loan pursuant to the Transaction Documents;

- iii. any and all sums reimbursable under any of the Transaction Documents including, without limitation, all such costs and expenses, including, without limitation, Taxes on such costs and expenses, which may be incurred and/ or suffered and/ or paid by any of the Lender in accordance with the terms of the Transaction Documents; and
  - iv. in the event of any enforcement actions undertaken after an Event of Default shall have occurred, all costs, charges and expenses incurred by the Lender in that regard including, without limitation, the costs and expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing the Security Interest created/ to be created pursuant to the Transaction Documents, or of any exercise by the Lender of its rights under the Transaction Documents, including, without limitation, all costs, charges, expenses incurred towards anticipated or actual legal proceedings (including, without limitation, attorney fees and court costs).
- d. **'Co-Borrower'** means the Person/entity named as such in Serial no. F (and, if applicable, G) of Schedule A hereto;
  - e. **'DRT Act'** shall mean Recovery of Debts and Bankruptcy Act, 1993 and the rules and regulations framed thereunder, from time to time;
  - f. **'SARFAESI Act'** shall mean Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the rules and regulations framed thereunder, from time to time;
  - g. **'Sanction Letter'** means the letter issued by the Lender sanctioning the Loan with the relevant particulars as mentioned in the letter;
  - e. **'Security Documents'** shall mean any documents, undertakings, agreements, deeds, notice, declarations, undertakings, indemnities, affidavits, writings, Clearances, certificates, no-objections, letters, filings, forms, physical or electronic, for, towards or in relation to creation, perfection, filing, registering, etc. of Security Interest and/or issue of a guarantee, as part of the Security, and whether executed by the Borrower, Security Providers, Lender or the Borrower or any third party, as per the requirement of the Lender and as may be amended, confirmed or restated from time to time, as per the requirement of the Lender; and
  - i. **'Transaction Documents'** shall mean, collectively this Agreement, the Security Documents and any incidental documents, other agreements, declarations, undertakings, indemnities, affidavits, deeds, writings, filings, Clearances, certificates, no-objections, letters, forms or documents executed/ to be executed in relation to or pursuant to the Facility, the Agreement, or the Security Documents, as per the requirements of the Lender and as may be amended, confirmed or restated from time to time, as per the requirement of the Lender.

## 2. Grant of Loan:

- a. Based on the representations provided by the Borrower and the Co-Borrower, if applicable, in the Loan Application form submitted by the Borrower to RCFL for applying for and availing the said Credit Facility/ies, (together with the loan application form and all other information, particulars, clarifications and declarations, if any, furnished by the Borrower or any other person from time to time in connection with the financial facility) and in accordance with the guidelines laid down under the relevant government schemes, **RCFL** agrees to lend and advance to the Borrower and the Borrower hereby agrees to avail from RCFL the "Loan" on the terms and conditions contained in this Agreement and the ancillary documents if any. The Loan provided to the Borrower shall be used by the Borrower solely for the Purpose mentioned in the Schedule. The loan(s) amount availed by the Borrower and any further amounts received by the Borrower from RCFL under this Agreement shall hereinafter collectively be referred to as **"Loan"**.
- b. The Borrower, hereby agrees and acknowledges that it shall be at the sole and absolute discretion of RCFL to ascertain the extent (either enhance or reduce), the manner and/or schedule of disbursement, of the said the said Credit Facility/ies and the Borrower shall not have any claim and/or dispute with regard to the same. Any such enhancement/reduction of the limit shall be governed by the terms and conditions of this Agreement and such other terms and conditions as RCFL may stipulate from time to time.
- c. The Principal, Interest, Additional Interest (including but not limited to costs and charges, if any) and any other amounts due or payable shall hereinafter collectively be referred to as **"Loan"**.

## 3. Disbursement:

- a. Subject to the terms of this Agreement, as per the request of the Borrower, the loan shall be disbursed by way of Cheque, Pay order, DD, Cash or in any other manner in one or more tranches. It is however hereby reiterated that the disbursement of the Loan shall be at the sole discretion of RCFL.
- b. **Details of Disbursement:** The Lender shall at its sole discretion, disburse the Loan in one lump-sum or in suitable installments having regard to the needs of the Borrower. The decision of the Lender in this regard shall be final, conclusive and binding on the Borrower. The Borrower shall acknowledge the receipt, in the form required by the Lender, of each amount so disbursed.
- c. In the event that the Loan is being availed for the purposes of purchase of (i) Farm equipment, (ii) materials and construction of Greenhouse/ polyhouse or (iii) equipment for Drip Irrigation, , the monies comprising the Loan shall be disbursed directly to the dealer/manufacturer/vendor of such equipment, details of which shall have been separately made available by the Borrower and/or the Co-Borrower, as applicable to the Lender (hereinafter, for ease of reference, referred to as the **"Vendor"**) and the Borrower hereby instructs and authorizes RCFL to disburse the Loan directly to the Vendor. Any such disbursement of the Loan by the Lender to the Vendor pursuant to the provisions of this Article 3.c shall be deemed to be disbursement to the Borrower and binding on the Borrower. Without prejudice to any and all of RCFL's rights and remedies under this Agreement, RCFL shall be absolved from any liability/responsibility with respect to such disbursement to the Dealer/Manufacturer/Vendor, for whatever reasons thereof. The terms and conditions of Sanction Letter issued and accepted by Borrowers shall continue to be binding upon the Borrower/s and shall not be deemed to have been waived at any time until the complete repayment of the Loan.
- d. **Liability of the Borrower to be Joint and Several:** Where the Loan is provided to more than one Borrower, notwithstanding anything herein stated, the liability of the Borrower to repay the Loan together with interest, and all other amounts and to observe these terms and conditions and terms and conditions of any other agreement/s, document/s that may be executed by the Borrower with the Lender in respect of the Loan or any other loan, is joint and several.

## 4. Interest:

- a. The Principal shall carry interest at the rate mentioned in Serial no. H of Schedule A hereto as **"Rate of Interest"** per annum payable by the Borrower in the manner indicated in the proposed repayment frequency on the outstanding balance, as more particularly set out in Serial no. H of Schedule A hereto. The interest shall be paid on the first of each month or in the manner specified by RCFL.
- b. The Lender shall be entitled to revise the rate of Interest at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the tenor of the Loan at its sole discretion (**"Interest"**). It being clarified for the avoidance of doubt that any change in interest will only be prospective and the Lender shall provide due notice of any such proposed change to the Borrower.
- c. In the event of default in payment/ in the event of non-payment of principal or interest on the Loan or any other monies or any part thereof, on respective Due Dates, such defaulted/unpaid amount shall carry interest/further interest till payment at the rate of interest as mentioned in the Schedule hereto (plus applicable interest tax or other statutory levy) (**"Additional Interest"**) over and above the applicable rate of interest, computed from the respective Due Dates and shall become payable upon the footing of compound interest with monthly rests. Such further interest shall be in addition to any other charges, which the Borrower is liable to pay to RCFL in terms of these presents. Payment of Additional

Interest or liability of the Borrower therefor shall not act as justification for any default and shall be without prejudice to Lender's other rights and remedies in this regard.

- d) Interest, Additional Interest and all other charges leviable herein shall accrue on a day to day basis and shall be computed on the basis of 360 days a year and the actual number of days elapsed.

#### 5. Other Charges:

- a. The Borrower agrees to pay the Processing fee on the total amount borrowed, being a onetime payment for loan processing, payable prior to disbursement ("**Processing Fee**"). The Borrower agrees and acknowledges that the Processing Fee is non-refundable **under any circumstance** including but not limited in the event of the Loan not being disbursed of the Borrower refusing to avail the said Credit Facility/ies;
- b. The Borrower shall also bear all rent, taxes, all other imposts, duties (including without limitation, stamp duty payable on this Agreement and other security documents, as well as relevant registration and filing charges) and taxes (of any description whatsoever, and whether payable to the state or central government) as may be levied from time to time by the Government or other authority and all other costs and expenses whatsoever (including but not limited to any costs and expenses incurred by RCFL, whether in its capacity as a pure agent of the Borrower or otherwise together with applicable taxes) in connection with/on : (i) the Application Form, Agreement or any other ancillary document, (ii) recovery and realization of the Borrower's dues, (iii) the creation, enforcement and realization of the security (including, maintaining, storing and selling/transfer of the Asset(s)), (iv) clearance of arrears of all taxes and any other charges and levies payable to the Government in respect of the Asset(s).
- c. The Borrower agrees to pay the insurance charges as set out in Article 20 below .

#### 6. Repayment:

- a. The Borrower shall provide duly filled post dated cheques in accordance with the repayment schedule set out in the Serial no. H of Schedule A hereto and shall ensure that he honours all payments without fail on the presentation of the cheque by the Lender. The principal amount of the Loan, Interest (including penal interest, costs and charges, if any) and any other amounts due, outstanding and payable by the Borrower shall be repayable by the Borrower in the instalments as mentioned in the Schedule till the expiry of such tenure for which the Loan was provided.
- b. Where repayment shall be by way of debit of the Borrower's account maintained in such bank as may be separately notified to the Lender in this regard and as may be acceptable to/ approved by the Lender, the Borrower hereby undertakes to provide written instructions to RCFL and its bank, to debit the account of the Borrower maintained and/or hereinafter maintained, towards the instalments as mentioned in Serial no. K of Schedule A hereto. Furthermore, in the event of the monthly instalment varying in accordance with this Agreement, the Borrower unconditionally undertakes to instruct his bank to debit an amount different from the above, which could be higher than the amount mentioned in the Repayment Schedule. The Borrower shall be responsible for non-execution or unilaterally altering the Standing Instruction, which may be on account of either (i) incomplete or inaccurate information or (ii) non-availability of sufficient funds in his/her account.
- c. Notwithstanding anything contained in these presents or the Transaction Documents, and irrespective of the mode of payment selected by the Borrower in the Application Form, upon any default by the Borrower in payment of one or more installment on the Due Date pertaining to the Loan or any non- realization of the of the installment on the Due Date by RCFL, RCFL shall be entitled, without prejudice to its other rights under the Loan terms, to present and/or re-present the postdated cheque issued by the Borrower in favour of RCFL in connection with the Loan. RCFL shall, as it may deem appropriate and necessary, be entitled to require the payment and/or collection of the installment and all other amounts comprising the Borrower's Dues as expressed in the Application Form, or other postdated cheque, if any, submitted by the Borrower by means of ECS, by itself or through such other person permitted for the same, instead of and in lieu of presenting / re-presenting such PDC, if any, issued by the Borrower in favour of RCFL or utilizing any other mode or manner of payment or Re-payment of the installments and all other amounts comprising the Borrower's dues, provided that such right of RCFL shall be without prejudice to its other rights under the Loan terms, in case of any failure to receive the installments or any other amounts due, through the ECS (debit) for any reason whatsoever.  
For the purposes of this Agreement,
- d. Notwithstanding any of the provisions of the Indian Contract Act, 1872, or any other applicable law, or any terms and conditions to the contrary contained in this Agreement, RCFL may, at its absolute discretion, appropriate any payments made by the Borrower in relation to the Loan in any manner/priority whatsoever.
- e. The acceptance by RCFL of any payment which is less than the amounts due and owing at such time and/or after the due date mentioned in the Repayment Schedule shall not constitute a waiver of RCFL's right to receive payment in full at such time or any subsequent time or a waiver of any other right whatsoever of RCFL under the Agreement.
- f. The Credit Facility(ies) shall be utilized solely for the purpose as set out in this Agreement. In the event that the Principal has been utilized for any reason other than as set out in this Agreement, the same shall constitute an event of default as more particularly set out in Article 25 and the same shall become due forthwith. Additionally, the Borrower shall repay the instalments regardless of whether any equipment purchased utilising the Credit Facility(ies) including but not limited to Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/Greenhouse Materials purchased (as stated in the Schedule) is defective, is under repair or not working or not delivered. All repayments shall be first applied to costs, charges, Interest and the balance finally towards the principal amount of the Loan. Any extension of the repayment period shall be at the sole discretion of RCFL.

#### 7. Penalty:

In the event the Borrower defaults on the repayment of the loan, RCFL may at its discretion levy the maximum permissible penalty as per the RCFL internal operations guideline on the outstanding amount per month, with the penalty being calculated for every day after the due date.

#### 8. Hypothecation/Security:

- a. In consideration of the Lender having granted or agreed to grant to the Borrower the Loan facility, subject to the terms and conditions mentioned herein, the Borrower hereby hypothecates hypothecate and charges in favour of the Lender, by way of an exclusive first charge on the following:
- (i) Where the Credit Facility(ies) has/have been availed for purchase of (i) Farm equipment (including Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/ Greenhouse Materials), (ii) materials and construction of Greenhouse/ polyhouse or (iii) equipment for Drip Irrigation together with all accessories, additions to/in the said asset whether present or future and improvements, renewals and replacements made or to be made on the Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/Greenhouse Materials, together with Any receivables from any aid/subsidies received from the Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, by the Borrower towards purchase of the Micro Irrigation Systems;
- (ii) Where the Credit Facility(ies) has/have been availed for purchase of poultry, dairy or food processing - the live stock, commodities, properties (whether moveable or immovable), present and future (including those properties that shall be acquired, constructed by utilizing the Loan hereby granted for the Purpose) and/or any other asset(s), in whichever form, and of the value, nature, quality and quantity as may be acceptable to RCFL and as mentioned in the application form to be offered or caused to be offered as security / secured in favour of RCFL for

repayment / payment of the Loan and other monies in respect of the Loan and more particularly specified in Serial no. J of Schedule A herein; and

(iii) Where the Credit Facility(ies) has/have been availed for undertaking pisciculture and for purchase of stock or feeding materials - the stock and commodities, present and future (including the stock that shall be acquired by utilizing the Loan hereby granted for the Purpose) and/or any other asset(s), in whichever form, and of the value, nature, quality and quantity as may be acceptable to RCFL and as mentioned in the application form to be offered or caused to be offered as security/secured in favour of RCFL for repayment/payment of the Loan and other monies in respect of the Loan and more particularly specified in Serial no. J of Schedule A herein

(which, in each case, has been described in detail in Schedule) (collectively referred to as "Security"), against which the Credit Facility(ies) is being taken. The Borrower also agrees and undertakes to execute such further documents and make such other deeds as may be required by the Lender to perfect the charge of the Lender on the Security.

- b. The hypothecation shall be deemed to take place immediately on coming into existence/ ownership of the relevant hypothecated Asset. The Borrower hereby warrants that he shall not do/omit to do any such acts that may prejudice the rights of the Lender to the Security furnished herein.
- c. The Borrower also agrees and undertakes to execute such further or other documents and make such other deeds as may be required by RCFL to secure the pledge of the Security including but not limited to execution of requisite Power of Attorney in favour of RCFL.
- d. The Borrower hereby hypothecates and/or mortgages, as the case may be, the Assets as set out in Serial no. J of Schedule A hereto and shall also include the Assets that shall be purchased.
- e. The charge created by the Borrower hereof shall stand as security for the due repayment and payment by the Borrower of the Loan granted or to be granted by the Lender to the Borrower and of all fees and interest, costs and expenses incurred or to be incurred by the Lender hereunder and all other monies payable or which may become payable by the Borrower to the Lender pursuant to the terms hereof and also for the due observance, performance and discharge by the Borrower of all obligations arising out of or in respect of the Loan or which may give rise to the pecuniary liability and for all costs (between attorney and client) on full indemnity basis, charges expenses and other moneys whatsoever paid or incurred by RCFL together with Taxes, incurred as well as Taxes on reimbursements, if any, in connection with the insurance protection, observance, enforcement, or realization of the Security and for recovery of their respective dues as also as Security for the payment and discharge of all Indebtedness whatsoever or liability of the Borrower to RCFL in respect of any liability undertaken by RCFL under any letter of credit opened or any guarantee or indemnity issued by RCFL for the Borrower or otherwise in respect of any accounts at any office of RCFL (whether in India or elsewhere and whether accrued, accruing or contingent and whether solely or jointly with others) and any Bills of Exchange, promissory notes or instruments at any time drawn made accepted or endorsed by the Borrower solely or jointly with others which RCFL may discount or become interested in together with all interests, discount, commission, charges, costs (between Attorney and Client) and expenses payable to or incurred by RCFL together with Taxes, incurred as well as Taxes on reimbursements, if any, in relation thereto so that the Security hereby created shall be and shall always be and remain continuing security for all moneys, Indebtedness and liabilities aforesaid notwithstanding the existence of a credit balance on the said account(s) at any time or any partial payments or fluctuations of Accounts and the said Security shall be in addition to any other security for any such Indebtedness or liability now held or hereafter to be held by RCFL.
- f. The Borrower hereby declares that all the Hypothecated Assets are the absolute property and ownership of, and at the sole disposal of the Borrower and free from any charges or encumbrances of any nature whatsoever except Security/ charge hereby created in favour of RCFL, and all the assets and property to be hypothecated hereunder in future likewise shall be free and unencumbered and that the Borrower has not done or knowingly suffered or been party or privy to anything whereby he is in any way prevented from hypothecating such existing or future assets in the manner aforesaid and that they will do and execute at their cost all such acts, things, deed and documents for further and more full assuring and hypothecating the goods or any part thereof as shall be required by RCFL and for giving better title to these presents.
- g. The Borrower shall not enter into any agreement/arrangement to sell, encumber, assign, transfer or otherwise part with the Security and/or portion his/her assets aggrieving and/or threatening to have any adverse implications on the repayment of the Loan (directly or indirectly), with any person, body or authority without prior consent of RCFL. Any such act by the Borrower shall constitute criminal breach of trust and RCFL shall be entitled to, without prejudice to its other rights, initiate criminal proceedings against the Borrower
- h. The Borrower agrees that the Borrower will not compound or release any of the said Hypothecated Assets nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent of RCFL and further agrees to keep proper books of account of his business(es) and will at all times as and when required produce such books of account and all vouchers, papers and documents relating thereto for the inspection of RCFL and any of its officers or agents and allow free access to them without any demur.
- i. The Borrower hereby declares that all the Hypothecated Assets and all documents relating to the Hypothecated Assets shall be held in trust by him for RCFL.
- j. Security, as offered and created by the Borrower and/or any other person in favour of RCFL in connection with the repayment/payment of the Borrower's dues and performance of the obligations under the Agreement, shall continue for the full tenor of the Loan and until the full repayment/payment of the Borrower's dues and all covenants under the Agreement have been duly complied with by the Borrower.
- k. Security created in favour of the Borrower shall not be revoked or cancelled or affected by the death, internal family dispute, reconstitution, dissolution, insolvency, winding up, merger or amalgamation, reconstruction, takeover of the management, scheme of arrangement/ compromise with its creditors or shareholders, nationalisation of the undertaking or otherwise, of the Borrower or any third-party security provider thereof.
- l. The Borrower shall carefully keep and preserve all the documents, papers and vouchers in connection with or relating to or which are likely to prove the Hypothecated Assets or any part thereof and will at any time when required to do so, produce such documents, papers and vouchers for the inspection of RCFL and take such steps for the recovery thereof as RCFL may direct, failing which RCFL is hereby empowered without any consent of the Borrower to take all or any such steps by itself in the name of and on behalf of and at the cost and expenses of the Borrower. For this purpose, Lender will be acting as Borrower's pure agent to incur such expenditure or costs.
- m. The Borrower shall ensure at all times during the tenor of the Loan that the value of the Security is not less than that as prescribed by RCFL in Sanction Letter. If at any time the value of the Security secured falls so as to create deficiency in the security margin requirement, the Borrower shall immediately on intimation or otherwise from RCFL, deposit with RCFL such additional security as may be necessary to remove such deficiency to the satisfaction of RCFL. RCFL may in the alternate require the Borrower to repay portion of the Loan so as to ensure the deficiency in the security margin requirement is neutralised to the satisfaction of RCFL.
- n. The Borrower shall execute on demand by RCFL such further documents as may be required by RCFL to perfect the Security and/or vest the said Hypothecated Assets or any of them in favour of RCFL and to render the same readily realizable or transferable by RCFL at any time.
- o. **CERSAI Filings:** The Borrower shall provide all co-operation and assistance that RCFL may require in relation to any filings required to be made with

Central Registry of Securitization Asset Reconstruction and Security Interest and shall bear all cost, charges and expenses which may be incurred by RCFL in relation to such filings.

**9. Further guarantee/Additional security:**

In the event that the Borrower is unable to furnish additional security in terms of Article , the Borrower shall, at the request of RCFL, repay such amount of the Loan as may be required by RCFL either due to change in interest rates, company policy, statutory requirements or any other reason thereof that may duly be communicated to the Borrower. Such Further Guarantee/Additional security, including the Security shall be over and above the requirements as stated in respective Loan documentation.

**10. Representations:**

The Borrower shall punctually pay all rents, Taxes, outgoing and other charges in respect of the premises in which the Hypothecated Assets is/are parked or kept ("**Premises**").

**11. Insurance:**

a. The Borrower shall also ensure that the Assets and the Premises are fully and comprehensively insured to the extent of the full market value thereof against loss or damage from fire, civil commotions, riot and such other risks as RCFL may direct. The Borrower shall duly and punctually pay all the premia on such policies as and when due and shall produce to RCFL for inspection the original receipt and furnish duly certified copies thereof for RCFL's record. The Borrower shall ensure that such policies of insurance are kept alive during the subsistence of the Security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled. The Borrower shall assign to RCFL every policy of insurance and shall pay to RCFL all proceeds of any policy received by them.

b. In the event of the Borrower failing in its obligations as aforesaid, RCFL, may, at its discretion but without any obligation to do so, pay such rents and outgoing and insure the said Premises and the Borrower hereby undertakes to reimburse RCFL all monies (including Taxes, if any) so paid by RCFL for the purpose together with Taxes on reimbursement, if any. For this purpose, Lender will be acting as Borrower's pure agent to incur such expenditure or costs. RCFL shall have the right to debit the amount so paid to the Account of the Borrower maintained with the bank approved by RCFL and such amount shall thereafter carry interest at the rate as specified in the Agreement.

Provided, however, that in the event of so insuring the Hypothecated Asset, RCFL shall not be considered responsible or liable for the non-admission of the claims or their non-payment wholly or partly by such insurance company for the omission to ensure or deficiency of insurance and the ultimate liability of the Borrowers to RCFL shall continue notwithstanding such failure or non-admission as aforesaid.

c. Further, that all sums received under any such insurance as aforesaid shall be received by RCFL and applied in or towards the liquidation of outstanding amount of the Loan to RCFL for the time being and in the event of there being a surplus, RCFL shall be entitled to appropriate such surplus as provided in this Agreement, Provided that RCFL shall not incur any liability to the Borrower if it fails to lodge any claim under any policy with the insurance company within the time prescribed under such policy or for any reason whatsoever. Nor shall RCFL incur any liability to the Borrowers for not bringing any suit for recovery of insurance moneys or allowing such suit to be barred by time.

d. In the event of any loss or damage to the Equipment(s) due to any accident, the first claim on any insurance proceeds shall be that of RCFL, which proceeds shall be applied by RCFL towards the Borrower Dues in terms hereof or in such other manner as deemed fit by RCFL. Further, and in the event of any total loss/damage to the Equipment(s), if the claim amount settled by the insurance company is less than the total Borrower's Dues outstanding and payable by the Borrower, the Borrower shall immediately pay all the balance outstanding amounts of the Borrower's Dues to RCFL. RCFL is irrevocably authorised and entitled at its sole discretion to act on the Borrower's behalf, at the Borrower's sole risk and cost, and to take all necessary steps, actions and proceedings as RCFL deems fit to safeguard its interests: (i) to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Borrower and (ii) to receive all monies payable under any such insurance or under any claim made there under and to give a valid receipt therefor, and apply such proceeds in accordance with the terms hereof or such other manner as deemed fit by RCFL.

e. The Borrower shall not be entitled to raise any claim against RCFL in case RCFL chooses not to take any action in relation to the insurance claims or proceedings and or on the grounds that a larger sum or amount of claims/settlement might or ought to have been received or be entitled to dispute the liability of the Borrower for the balance amount of Borrower's Dues remaining due after such adjustment.

f. It is also agreed that RCFL shall have the absolute right to adjust, settle, compromise without reference to or consent of the Borrower, any dispute in connection with or arising under any policy of insurance and any of the assured and such act of RCFL shall be valid and binding on the Borrower but shall not impair right of RCFL to recover its dues from the Borrower.

**12. Borrower's contribution towards cost of the Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/Greenhouse Materials:**

Prior to disbursement of the loan by the Lender, the Borrower shall furnish to the Lender the documents showing the payment made by him to the Vendors by way of his own contribution towards the cost of the Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/Greenhouse Materials in satisfactory form, and only upon such confirmation of payment to the Vendors, the Loan shall be disbursed.

**13. Inspection:**

The Borrower shall comply with the obligations set out herein, at its own costs and expense and shall submit sufficient proof of compliance, wherever applicable:

a. The Borrower shall comply with all laws, rules and regulations (statutory or otherwise) relating to the Asset(s), his/her business, and shall obtain, and keep effective at all times, all necessary insurance, licenses, registrations, permissions, approvals and consents for the storage of the Assets and/or operations of the business.

b. The Borrower shall ensure that the Assets and/or business are diligently and properly maintained and do all such acts, deeds and things necessary to maintain the value and integrity of the said Assets. The Borrower shall promptly notify RCFL in case of any damage or loss caused to the Assets due to whatsoever reasons.

c. **Indemnity for Electronic Instructions:** The Borrower has approached and requested RCFL to accept instructions given by the Borrower themselves or through their authorised signatories (the "Authorised Signatory") via email, telex, facsimile or such other electronic modes as may be acceptable by RCFL (whether or not the same has been electronically or digitally signed), hereinafter referred to as the "Electronic Instructions" and RCFL has agreed to accept such Electronic Instructions subject to the terms and conditions hereinafter.

(i) The Borrower understands that facsimile transmission lines, telex transmission lines and internet are not encrypted and that facsimile, telex and internet are not secure means of transmission. The Borrower further acknowledges that sending instructions via emails which are not electronically signed is not a secured means of transmitting information. The Borrower acknowledges and accepts that such insecure transmission methods involve the risk of possible unauthorized alteration of data and/or unauthorized usage/transmission therefor whatever purposes. The Borrower agrees to exempt RCFL from any and all responsibility/liability of such misuse/tampering/hacking and

not to hold RCFL responsible for any such misuse and further indemnifies RCFL and agrees to keep RCFL indemnified, saved and harmless, from time to time and at all times from and against any and all claims, losses, damages, costs, liabilities, charges, actions, suits, demands, penalties and expenses or other consequences incurred, suffered or paid by RCFL or required to be incurred, suffered or paid by RCFL and also against all demands, actions, suits, proceedings made, filed instituted against RCFL, pursuant to, in connection with or arising out of or in relation to:

- (a) RCFL acting or refraining to act pursuant to, in accordance with or relying upon, any Electronic Instructions or otherwise pursuant to the request and authority conferred herein; and/or;
  - (b) RCFL acting pursuant to, in accordance with or relying upon any Electronic Instructions received by RCFL in accordance with the provisions of this Agreement; and/or;
  - (c) Any unauthorised/fraudulent/tampered or hacked Electronic Instruction received by RCFL; and/or;
  - (d) Non-receipt of any Electronic Instruction claimed to have been sent by the Borrower; and/or;
  - (e) Any errors, delays or problems in transmission or unauthorized/illegal interception, alteration, manipulation of electronic data or otherwise caused by using facsimile, telex or Internet as a means of transmission.
- (ii) The Borrower shall, after giving Electronic Instruction in accordance with the provisions herein, deliver to RCFL without any delay within 1 (one) working day, the original hard copy of the Electronic Instructions (the **"Hardcopy"**) signed by Borrower or the Authorised Signatory, as the case may be. It is clarified for the avoidance of doubt that there shall be no obligation on RCFL to follow-up with the Borrower for Hardcopies.
- (iii) The Borrower agrees that notwithstanding anything to the contrary contained in this Agreement, RCFL shall not be obliged to act on the basis of any Electronic Instructions in the event that (i) RCFL does not, in good faith, believe the Electronic Instructions to be genuine; (ii) RCFL suspects, in good faith, that the Electronic Instructions have not been sent by the Borrower and/or, as the case may be, the Authorised Signatory; or (iii) there is an error in transmission or reception of such Electronic Instructions to RCFL and RCFL has not received or RCFL, in good faith, believes or suspects that it has not received the complete and correct Electronic Instructions; or (iv) there is any ambiguity, lack of clarity or incompleteness in the Electronic Instructions received by RCFL. The Borrower further agrees and undertakes RCFL shall not be liable or responsible for not acting on the basis of any Electronic Instructions in the circumstances mentioned above or any consequences of whatsoever nature including, without limitation, any losses, damages and/or expenses incurred by the Borrower arising as a result of or pursuant to RCFL not acting on the basis of any Electronic Instructions as aforesaid.
- (iv) The Borrower agrees and acknowledges that the liability of RCFL to confirm the authenticity of any Electronic Instruction received by it (i) by way of facsimile/email transmission/ telex shall be limited only to verifying the signature on such Electronic Instruction with the specimen signatures of the Authorized signatory made available to RCFL by the Borrower; Notwithstanding anything to the contrary contained herein, RCFL may at any time, at its discretion, and without assigning any reasons for the same, require the Borrower to furnish additional information/proof for verification of the authenticity of the Electronic Instructions.

#### **14. Representations:**

The Borrower and Co-Borrowers jointly and severally, represents warrants and acknowledges to RCFL that:

- a. Each are individually eligible to contract and avail Loan and all facilities from RCFL, and shall duly intimate RCFL, in case of any change or inability in the contracting status;
- b. That the Borrower has valid, subsisting and unfettered ownership/leasehold right and interest in the immovable properties, if any, stated in the Serial no. J of Schedule A hereto and documentary proof of the same shall have been furnished by the Borrower and/or the Co-Borrower as applicable;
- c. The Borrower and Co-Borrower shall at all times comply with all the Terms and Conditions to the complete satisfaction of RCFL;
- d. The Borrower and Co-Borrower shall at all times comply with all guidelines prescribed by the relevant ministries and government departments administering schemes for Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/Greenhouse Materials, and shall ensure that the norms required to be complied with, in order to avail of the subsidy provided by the National Horticulture Board, if applicable, continue to be available for the term of the Credit Facility(ies). The Borrower shall not obtain any financial assistance from any other person/institutions, with respect to Micro Irrigation Systems/Farm Equipment/Equipment/Poly house/Green house Materials and immovable properties against which any liability with RCFL is outstanding.
- e. The Borrower shall utilize the Loan solely for the purpose as set out in this Agreement read with the Sanction Letter. The Borrower shall be under an obligation to provide all the information regarding end-use of the Loan proceeds as well as about any diversion/siphoning of funds and also undertakes that the Borrower shall ensure that such certificate as required by the Lender shall be obtained from the auditor of the Borrower, if applicable, or shall be provided by the Borrower and shall be submitted to the Lender.
- f. None of the loans/ financial facilities shall be utilised for any illegal, unlawful or immoral purposes or activities at any time.
- g. The Schedule mentioned Asset(s) are free from encumbrances and the Borrower (and/or the third-party security provider) has not created any encumbrance nor transferred or disposed of the Schedule mentioned Asset(s), to any person in any manner whatsoever.
- h. The Borrower shall promptly notify, in writing to RCFL of the occurrence of any event or the existence of any circumstances, which constitutes or results in any declarations, representation, warranty, confirmation or acknowledgement under the Agreement being or becoming untrue or incorrect in any respect;
- i. If the cheque and/or standing instructions in respect of any payment/repayment including but not limited to instalments as set out in the repayment schedule, is dishonoured, the Borrower shall be liable for delayed payment charges as per this Agreement;
- j. In case the Borrower being LLP, the Borrower agrees to procure from all its partners personal guarantees, whenever so required by the Lender, guaranteeing in favour of the Lender, the timely and due payment and repayment of the Loan and Borrower's Dues, in full, by the Borrower to the Lender in accordance with this Agreement and timely performance of all the Borrower's obligations to the Lender hereunder, in the form acceptable to the Lender; and
- k. The Borrower shall provide all such other information as may be required by the Lender pertaining to the Borrower and any security provider, including their respective registration details under the Goods and Services Tax Act, 2017.

#### **15. Special covenants in the event that the Credit Facility is availed for purchase of equipment –**

- a. The Borrower shall be solely and exclusively responsible for the quality, condition, fitness and performances of the equipment purchased pursuant to the Credit Facility/ies (the "Equipment") and for getting/insuring delivery of the Equipment from Vendor, and RCFL shall not be liable or responsible for delay in delivery and (non-delivery of the Equipment or any demurrage cost or any defect or variation in the quality, condition, fitness and performances of the Equipment or any guarantee or warranty given by the Vendor in respect thereof. RCFL shall not be liable for, or bound by any representation or warranties whatsoever made by Vendor in respect of the Equipment or any agent of such Vendor.



- b. In the event of any Security being created in favour of RCFL, the Borrower shall, if required by RCFL affix plates/sticker on the Equipment, indicating the fact of charge of the Equipment in favour of RCFL, while such plates/stickers shall be constantly affixed on the Equipment so long as any portion of the Borrower's Dues remain outstanding from the Borrower to RCFL and the charge has been released by RCFL, over the said Equipment.

**16. Right to sharing/providing Information:**

The Borrower and Co-Borrowers hereby expressly authorize RCFL and its agents to exchange, share or part with all the information, data or documents relating to the Borrower's and Co-Borrowers loan information including credit history, defaults, if any, committed by them, to affiliated organisations of RCFL/Banks/Financial Institutions/Credit Bureaus/Agencies/Statutory Bodies/Tax authorities/Central Information Bureaus/Research Partners and such other persons as RCFL may deem necessary or appropriate, when necessary. The Borrower and the Co-Borrowers shall not hold RCFL liable for use of this information. RCFL shall be entitled to exercise this right of disclosure without being required to issue any further notice in this respect to the Borrower/Co-Borrowers. The Borrower/Co-Borrowers specifically waive the privilege of privacy, privity and defamation.

**17. Information on other Agreements:**

Borrower hereby waives any and all objections to RCFL and/or any of its group entities entering into independent commercial arrangements with the Dealer, Manufacturer, Vendors or any other person. The Borrower acknowledges that such arrangements/agreements shall have no bearing on this Agreement including but not limited to his/her responsibilities, liabilities under these terms and conditions.

**18. Recall of Loan amount:**

- a. RCFL shall have the right to recall any of the Loan amounts/ facilities at any time at its discretion, without assigning any reasons for such recall. Upon any such recall, the Loan, Interest and all other amounts stipulated by RCFL shall be payable by the Borrower within 15 days from the date of such recall by RCFL.
- b. In the following events ("**Specified Events**"), the Lender shall not be liable to give any prior notice to either the Borrower or the Co-Borrower or other persons under the right of recall and subject to applicable law, for exercise of any other rights/remedies:
- Filing of any application by any person against any of the either the Borrower or the Co-Borrower or by either the Borrower or the Co-Borrower itself, before any forum under the IBC, or passing of any resolution of directors or of members (if applicable) or declaration of partners, for the purposes of/ towards/recommending filing of any proceedings or application for initiation of insolvency resolution process or fast track resolution process or voluntary liquidation process or fresh start process or bankruptcy or any kind of insolvency/ resolution/ liquidation/ bankruptcy process by whatever name called in relation to any of the Obligors;
  - Issuance of any demand notice by any of the creditors including the operational creditors under Section 8 of the IBC to either the Borrower or the Co-Borrower demanding the payment of amount involved in default as mentioned therein or threatening filing of any proceedings for initiation of the insolvency resolution process;
  - Any seizure, confiscation, possession of the Assets or any part thereof or similar action or issuance of any notice therefor or any notice in the nature of garnishee issued by any of the Governmental Authorities in relation to either the Borrower or the Co-Borrower or any of their assets.
  - Any action or event which shall trigger initiation of any moratorium or standstill of any nature, whether by statutory operation or otherwise under any Applicable Law, in relation to either the Borrower or the Co-Borrower or any of their assets.
- c. The entire amount outstanding under the Credit Facility(ies) shall be deemed to have been recalled by the Lender (unless waived by the Lender in writing) without any further act, deed, notice or writing in this regard from Lender, prior to happening of any of the aforesaid events, and shall be deemed payable by the Borrower and the Co-Borrower, if applicable, to the Lender forthwith thereupon.

**19. Alteration of the terms and conditions:**

RCFL shall have the absolute discretion, without assigning any reason to amend or supplement any of the terms, including but not limited to the rate of Interest, periodicity rests, etc. provided that the Borrower shall be duly intimated of such change. Intimation of the amended terms by hosting the same on the notice board located at the office of RCFL or any other manner as decided by RCFL shall be construed as valid and effective intimation. It is further explicitly stated that in the event RCFL at its sole discretion discharges or alters any or all of the obligations of a party herein under this Agreement, such discharge by RCFL shall not relieve the other parties from their obligations under this Agreement.

**20. Insurance:**

So long as this Loan is valid and subsisting, Borrower shall have the obligation to obtain, maintain adequate insurance on the Micro Irrigation Systems/Farm Equipment/ Equipment/ Poly house/Greenhouse Materials Systems with RCFL as the beneficiary and provide necessary documents substantiating the same. Furthermore, in the event RCFL is not duly appraised of the procurement of such insurance policies, it shall have the right but not the obligation to independently procure the same at the expense of the Borrower.

**21. Right of Pre-closure:**

The Borrower shall be entitled to pre-close the Loans by remitting the Loan, the Interest and any costs and charges, the pre-closure charges would be 5% of the Principle outstanding at the time of such pre-closure irrespective to the tenure of the loan.

**22. Computation of amount outstanding:**

The records maintained by RCFL and a certificate in writing signed by an officer of RCFL shall be conclusive proof of the amounts outstanding from the Borrower. In the event of any dispute/disagreement about the said computation, the Borrower shall not be entitled to withhold the payment outstanding or demanded by RCFL. Upon request from RCFL, the Borrower undertakes to issue and provide such documents (including a balance confirmation) confirming the balance outstanding, security and/or charge on the Assets, failing which the computation shared by RCFL shall be final and binding.

**23. Set off:**

In addition to and not in limitation of all rights of set off that RCFL may have under any applicable law, and whether or not RCFL has made any demand or the obligations of the Borrower have matured, RCFL shall have the right to set-off or appropriation against all monies of the Borrower and/or Co-Borrower standing to the credit of the Borrower and/or Co-Borrower in any account(s) of the Borrower and/or Co-Borrower with or under the control of RCFL or any of its group entities; or any such pending payments, receivables and/or invoices that the Borrower and/or Co-borrower may have with the Manufacturer/Dealer/Vendor and the Borrower and/or Co-Borrower authorise RCFL to debit such account(s) of the Borrower and/or Co-Borrower. It shall be the Borrower's sole responsibility and liability to settle all disputes/objections with connected parties in respect of the set-off in the manner hereinabove mentioned.

#### 24. Co-Borrower:

In this Agreement, the **"Co-Borrower"** shall mean whose name and address are stated in the Serial nos. F and G (if applicable) in Schedule A hereto. The Co - Borrower shall be jointly and severally liable with the Borrower under the said Loan and his/her/their obligations in relation to the said Loan shall be concurrent with that of the Borrower in all respects as if he/she/they himself/ herself/ themselves was/were the Borrower and accordingly, Co - Borrower shall guarantee and regularly and punctually pay to RCFL all instalments as well as other dues payable under the said Loan himself/herself/themselves in the event of default by the Borrower

#### 25. Event of Default, Remedies and Termination:

- a. RCFL shall have the right but not the obligation to terminate this Agreement and any other Agreements that may be entered with the Borrower, invoke the guarantee and/or to accelerate the repayment and/or to recall the Loan amount and other charges or any part of the same, with immediate effect, in the event the Borrower and/or the Co-Borrowers commit an Event of Default. The Borrower and/or the Co-Borrowers shall be deemed to have committed an act of default on the happening of inter-alia, any one or more of the following events (hereinafter referred to as **"Event of Default"**):
  - i. The Borrower and/or the Co-Borrowers commit breach or default of any of the terms and conditions and/or covenants herein or any misrepresentation to the RCFL;
  - ii. The monies availed by the Borrower pursuant to the Credit Facility are used for any reason other than as particularly set out in this Agreement; or
  - iii. The Borrower and/or the Co-Borrowers fail to furnish any information or documents that may be required by RCFL; or
  - iv. The Borrower not making payment to RCFL in respect of the Loan or Interest or other monies due from time to time; or
  - v. The Borrower is utilising the Loan or any part thereof for a purpose other than the Purpose for which the Loan has been sanctioned; or
  - vi. The Borrower, without the prior approval in writing of RCFL, creating interest in the Security or any of them in favour of any third party in any manner whatsoever; or
  - vii. If the Security depreciates in value to such an extent that in the opinion of the Lender, further security should be given and such security is not given on written demand; or
  - viii. If the Borrower fails to furnish any information or documents required by the Lender; or
  - ix. If the cheque/standing instruction in respect of any payment including but not limited to instalments as set out in the repayment schedule, is dishonoured; or
  - x. If the Borrower fails to deliver post dated cheques/fresh standing instruction in accordance with the terms of the Loan or as an when demanded by the Lender; or
  - xi. If any Security for the Loan becomes infructuous or is challenged by the Borrower or any other person; or
  - xii. If the Borrower commits an act of insolvency or makes an application for declaring himself and insolvent or an order is passed against the
  - xiii. Borrower declaring him as an insolvent; or
  - xiv. If the Borrower ceases or threatens to cease carrying on business or all or any part of the assets of his business are damaged or destroyed; or
  - xv. There exists any other circumstance, which, in the sole opinion of RCFL, jeopardizes RCFL's interests;
- b. Notwithstanding anything to the contrary contained herein, in the event that any application is filed for initiating the insolvency resolution process in respect of the Borrower under the Insolvency and Bankruptcy Code, 2016, the aggregate monies outstanding under the Credit Facility(ies) shall stand accelerated forthwith (unless expressly waived by the Lender in writing) without any further act, deed or provision of notice by the Lender and the Lender shall be entitled to exercise all rights available to it under the Financing Documents, Applicable Law or otherwise in respect of such Event of Default including, without limitation, the enforcement of all Security Interests created in favour of the Lender in respect of the Facility.
- c. Without prejudice to the provisions of Articles 25 and 25, the Lender shall have the right to take all or any of the following actions at its discretion, upon the occurrence of an Event of Default:
  - i. enforce the Security or any part thereof;
  - ii. restrict the Borrower from making any payments to any of its shareholders or affiliates, whether in the form of dividend payments or otherwise;
  - iii. stipulate any further terms and conditions as the Lender deems fit with respect to Transaction Documents;
  - iv. the right to convert (which right is hereinafter referred to as **"the Conversion Right"**), at its option, either the whole or any part of the ~~###~~Borrower's Dues into fully paid up and voting equity shares of the Borrower at par or book value of such shares or such other value as the Lender may determine whether as part of any strategic debt restructuring scheme/ other scheme as the Lender may determine or otherwise. Such conversion shall take place in a manner specified in a notice in writing to be given by the Lender to the Borrower prior to the date on which the conversion is to take effect stipulated in such notice. On receipt of notice of conversion, the Borrower shall take all actions to, and shall, allot and issue the requisite number of fully paid up and voting equity shares to the Lender as from the date of conversion. The equity shares so allotted and issued to the Lender shall carry from the date of conversion the right to receive the dividends and other distribution declared or to be declared in respect of the equity share capital of the Borrower and shall rank pari passu with the other fully voting equity shares of the Borrower in all respects. The Conversion Right reserved as aforesaid may be exercised by the Lender on one or more occasions at all times up to the Final Settlement Date and shall be exercisable by the Lender without prejudice to the rights available to the Lender under the Transaction Documents and/ or Applicable Law;
  - v. if the Borrower is a company, appoint such number of nominee/ whole time director(s) on the Board of Directors of the Borrower that would constitute a majority ('Nominee Director/s') as the Lender may deem fit or as may be specified in the Schedule hereto and any costs incurred by the Lender in relation to such appointment shall be borne by the Borrower and the Borrower shall do all acts, deeds and things necessary in this regard, including but not limited to making necessary alterations to its memorandum of association/ articles of association as may be required; and
  - vi. exercise any other rights that the Lender may have under Applicable Law, any other law for the time being in force, the Transaction Documents.

#### 26. Publishing default in payment:

The Borrower expressly recognizes and accepts that RCFL shall, without prejudice to its right to perform such activities itself or through its officers or employees, be entitled and have full power and authority to appoint one or more third parties as RCFL may select or otherwise assign and to delegate to such third party all or any of its functions, rights and powers under this Agreement relating to administration of any Loan including the right and authority to collect and receive on behalf of RCFL from the Borrower and/or Co-Borrower any payments and other amounts due by the

Borrower under any and all Agreements signed in this regard and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto including sending notices, attending the residence or office of the Borrower or otherwise contacting the Borrower. The Borrower/Co-Borrowers expressly recognizes and accepts that RCFL shall be entitled to sell, transfer, assign or securitise in any manner whatsoever (in whole or in part) all or any of its benefits, right, obligations, duties and/or liabilities under this Loan Agreement, without the prior written consent of, or intimation to the Borrower and/or Co-Borrowers in such manner and on such terms as RCFL may decide. In the event of such transfer, assignment or securitisation, the Borrower/Co-Borrowers shall perform and be liable to perform their obligations under this Loan Agreement to such assignee or transferee or any person claiming on their behalf or through RCFL. RCFL shall be absolutely entitled and have full power and authority to sell, assign or transfer in any manner in whole or in part and in such manner and on such terms as it may decide, including reserving the right to retain the power hereunder to proceed against the Borrower/Co-Borrowers on behalf of the purchaser, assignee or transferee, any or all outstanding dues of the Borrower, to any third party of RCFL's choice without reference to or without written intimation to the Borrower/ Co-Borrowers.

**27. General Clauses:**

- a. The Borrower and each of the Co-Borrowers jointly and individually further hereby and hereon represent and warrant that the information provided at any time in any of the Agreements/ Applications/ and communications, and in the respective Appraisal Form and various other documents in this regard are and would be true, correct and updated in all respects and that nothing has been or would be withheld and in case of any change of information it shall be their obligation to immediately intimate RCFL forthwith.
- b. The Borrower and/or Co-Borrower shall indemnify and keep indemnified RCFL against all claims, costs, losses and expenses that may be incurred by RCFL by reason of any act or default on the part of the Borrower.
- c. **Successors and Assigns:**  
All references to RCFL and the Borrower and the Co-Borrower shall include, where the context so requires, its/ their successors, assigns and/or heirs.
- d. **Severability:**  
The invalidity or unenforceability of any term, phrase, article, paragraph, restriction, covenant, agreement or other provisions hereof shall in no way affect the validity or enforcement of any other provision, or any part thereof.
- e. **Entire agreement:**  
This agreement, read with (i) the Sanction Letter, and (ii) any other document creating security as may be envisaged in the Sanction Letter, shall constitute the entire agreement between the Parties. In case of any contradiction or inconsistency between the terms of the Sanction Letter and this Agreement, the terms of the Sanction Letter shall prevail.

**28. Nominee:**

RCFL may request for a nominee in any of the Loan Application forms who shall be the nominee for the any pledge of documents or property made herein as security. This shall be as per the rules of RCFL for adjusting the liability / recovering the dues as outstanding in the respective Loans.

**29. Dispute Resolution:**

- a. Where no security has been provided by way of mortgage of assets, but subject to the provisions of the Article, the Parties hereto irrevocably agree that any dispute, controversy or claim arising out of, relating to or in connection with this Agreement or the existence, breach, termination or validity hereof (a "Dispute") shall be finally settled by arbitration conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration shall be held at such place as may be mentioned in Schedule I hereto and shall be conducted by a sole arbitrator nominated by RCFL in accordance with the Arbitration and Conciliation Act, 1996.
- b. Nothing in this Article shall prevent RCFL from obtaining relief from a court of competent jurisdiction in the form of provisional or conservatory measures (including, without limitation, preliminary injunctions to prevent breaches hereof). Any request for such provisional measures by RCFL to a court shall not be deemed a waiver of the agreement to arbitrate as contemplated in this Article. In addition, the Arbitrator may, at the request of RCFL, order provisional or conservatory measures (including, without limitation, preliminary injunctions to prevent breaches hereof) and RCFL shall be able to enforce the terms and provisions of such orders in any court having jurisdiction.
- c. Unless the Parties otherwise agree, all submissions and awards in relation to arbitration under this Agreement shall be made in English and all arbitration proceedings and all pleadings shall be in English.
- d. The costs of the arbitration shall be borne by the disputing Parties in such manner as the Arbitrator shall direct in his arbitral award.
- e. Any award in connection with any arbitration proceeding hereunder shall be final, binding and not subject to appeal, and any judgment upon such award may be entered and enforced in any court of competent jurisdiction.
- f. Nothing contained herein shall be construed as extinguishing, limiting or ousting the rights of the Lender under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and/or the Insolvency and Bankruptcy Code, 2016 (IBC) and the Lender shall stand absolutely entitled to exercise its rights thereunder irrespective of the initiation or continuation of any other arbitral or other proceedings.
- g. Notwithstanding anything to the contrary contained hereinabove, in the event that the Lender, as a result of a change in Applicable Law or otherwise, becomes entitled to be treated as a 'financial institution' under the DRT Act and to exercise rights thereunder, the Borrower hereby expressly agrees and consents that the Lender shall be entitled to exercise the rights available to the Lender under the DRT Act including to recover the Outstandings from the Borrower by filing proceedings with any of the debt recovery tribunals constituted thereunder. In addition, the Parties agree that in the event that the Lender is empowered to exercise rights and powers under the provisions of the DRT Act as aforesaid, the provisions of this Article and the agreement to arbitrate as between the Lender and the Borrower shall, at the option of the Lender, cease to have effect.

**30. Governing Law:**

This Agreement shall be governed by and construed under Indian laws and the courts at such place as mentioned in Serial no. L of Schedule A or such other place as decided by RCFL shall have exclusive jurisdiction to determine any matter relating to or arising in connection with this Agreement.

**31. Term:**

This Agreement shall be effective from the date of disbursement of the Loan and shall remain in effect until repayment of the entire Loan by the Borrower and/or Co-Borrower, or unless terminated earlier by RCFL. It is further specifically stated that the termination of this Agreement under any circumstances does not alter or change any of the terms and conditions under any other contract agreed between the parties and this is independent herein.

Signed and Delivered by Mr. _____	
Signed and Delivered by Mr. _____	
Signed and Delivered by Mr. _____	
Signed and Delivered by Mr. _____	
Signed and Delivered by M/s. Reliance Commercial Finance Limited through Authorized Signatory	

Witnesses#1: \_\_\_\_\_

Witness#2: \_\_\_\_\_

SAMPLE

**SCHEDULE - A**

S. No.	Heading	Particulars
A	Date of the agreement	
B	Place of the agreement	
C	Name of the Lender	Reliance Commercial Finance Limited ('RCFL')
D	Address of the Lender	<b>Registered office</b> Reliance Centre, 6th Floor, South Wing, Off Western Express Highway, Santacruz East, Mumbai 400055.  <b>Branch office:</b> _____
E	Description of Borrower	<b>Name:</b> _____  <b>Constitution (Tick (✓) as applicable):</b> <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship Concern <input type="checkbox"/> Society <input type="checkbox"/> Partnership <input type="checkbox"/> Hindu Undivided Family <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Company <input type="checkbox"/> Trust  Name : _____ Address : _____ _____ Fax no.: _____ Telephone no : _____ Email Id: _____ PAN Number: _____
F	Description of Co-Borrower	<b>Name:</b> _____  <b>Constitution (Tick (✓) as applicable):</b> <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship Concern <input type="checkbox"/> Society <input type="checkbox"/> Partnership <input type="checkbox"/> Hindu Undivided Family <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Company <input type="checkbox"/> Trust  Name : _____ Address : _____ _____ Fax no.: _____ Telephone no : _____ Email Id: _____ PAN Number: _____
G	Description of Co-Borrower	<b>Name:</b> _____  <b>Constitution (Tick (✓) as applicable):</b> <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship Concern <input type="checkbox"/> Society <input type="checkbox"/> Partnership <input type="checkbox"/> Hindu Undivided Family <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Company <input type="checkbox"/> Trust  Name : _____ Address : _____ _____ Fax no.: _____ Telephone no : _____ Email Id: _____ PAN Number: _____
H	Details of the Credit Facility(ies)	Loan Amount: Rs. _____/- Loan Tenure: _____ Months Rate of Interest: _____% Non-Refundable Processing Fee: _____ Additional Interest: _____% Repayment Frequency: __ Pre-closure/foreclosure Charges (as described in point 21 above) Part payment Charges

I	<b>Purpose of the Loan</b>	(kindly select the with tick (✓) mark and relevant details shall be filled)	
		<b>Type of loan</b>	<b>Purpose</b>
J	<b>Details Of The Property Provided As Security</b>	<b>Moveable Property:</b> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <b>Immoveable Property:</b> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	
K	<b>Repayment Schedule</b>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	
L	<b>Jurisdiction for the purposes of dispute resolution</b>	<hr/> <hr/> <hr/>	

## VERNACULAR DECLARATION

(To be signed by Party to the Agreement signing in Vernacular Language)

This is to confirm that the contents of the loan documents and all other documents incidental to availing the loan from RCFL, have been read out, explained and interpreted to,

1) Mr. \_\_\_\_\_, in \_\_\_\_\_ Language

2) Mr. \_\_\_\_\_, in \_\_\_\_\_ Language

as desired by him/her/them and the same are understood by him/her/them and he/she/they have confirmed that he/she/they has/have understood the same and has/have agreed to abide by all the terms and conditions of this Agreement. Pursuant to the same, the aforesaid person/s is/are affixing his / her/their signature/s, as given herein below.

LHT Impression / Signature of Person (Person who explained the Agreement to the Borrowers/Co-Borrowers in their regional Language stated above)

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**LETTER OF CONTINUITY FOR DEMAND PROMISSORY NOTE**

Date: \_\_\_\_\_

**Reliance Commercial Finance Limited ("RCFL")**

Reliance Centre, 6th Floor, South Wing,  
Off Western Express Highway,  
Santacruz (E), Mumbai - 400055

Dear Sirs,

I/We \_\_\_\_\_ have executed a Demand Promissory Note for Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ only) dated \_\_\_\_\_ duly signed and delivered by me/us to you as security for the repayment by me/us to RCFL of any sum now due or which may hereafter be or become due by me/us to RCFL by way of loans or advances, notwithstanding the fact that the loans or advances or the account, may from time to time be reduced or extinguished or the balance in the said account brought to credit, the intention being that the said Demand Promissory Note and the security shall be a continuing security for any borrowing by us at anytime to RCFL.

Yours faithfully,

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Co-Borrower

\_\_\_\_\_  
Co-Borrower

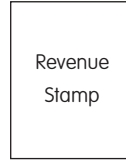


## RECEIPT

I, Mr./Ms. \_\_\_\_\_ (Borrower's name), herewith acknowledge the receipt of a sum of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ only) being the principal of Loan amount disbursed to me today. I further acknowledge that the Loan being disbursed is subject to the Terms and Conditions of the Loan documents understood and executed by myself, a copy of which I have possession and am well aware of.

Date: \_\_\_\_\_

Place: \_\_\_\_\_



LHT Impression / Signature across revenue stamp

Co-Borrower 1: \_\_\_\_\_

Co-Borrower 2: \_\_\_\_\_

### Witnesses:

1. \_\_\_\_\_

2. \_\_\_\_\_

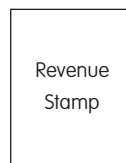
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## DEMAND PROMISSORY NOTE

On demand by the holder of this promissory note, I, Mr./Ms. \_\_\_\_\_ jointly and severally, unconditionally and irrevocably promise to pay immediately upon demand, a sum of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ only), along with interest at \_\_\_\_\_% p.a annualized interest with \_\_\_\_\_ rests, for the loan availed from Reliance Commercial Finance Limited (RCFL).

Rs. \_\_\_\_\_/-

(Rupees \_\_\_\_\_ only),



LHT Impression / Signature across revenue stamp

Co-Borrower 1: \_\_\_\_\_

Co-Borrower 2: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

## PAYMENT AUTHORISATION LETTER

Date: \_\_\_\_\_

To,

**Reliance Commercial Finance Limited ("RCFL")**

Branch \_\_\_\_\_

Dear Sir,

**Sub: Payment Authorisation Letter**

I, \_\_\_\_\_, S/o./ D/o. \_\_\_\_\_, have availed a Loan from RCFL on \_\_\_\_\_ and hereby authorize RCFL to directly make payment of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) to the Manufacturer/Dealer/ Vendor as mentioned in my Loan application form.

I understand and agree that such disbursement is deemed as disbursement of the Loan to me.

Thanking You,

\_\_\_\_\_  
LHT Impression / Signature of Borrower

Name: \_\_\_\_\_

Cc to: [manufacturer & any other person]

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### DECLARATION FOR DISBURSEMENT OF LOAN

I \_\_\_\_\_ s/o \_\_\_\_\_, residing at \_\_\_\_\_

do hereby state and declare as solemn affirmation as under:

I declare that the Loan availed by me vide loan agreement dated \_\_\_\_\_ has been disbursed by RCFL to the Manufacturer/Dealer/Vendor based on my Payment Authorization Letter, in accordance with the terms and conditions of the Loan Agreement, and the said Loan amount has been duly received by the Manufacturer/Dealer/Vendor.

I declare that whatever I have stated is true and correct to the best of my knowledge and belief.

Solemnly affirmed at \_\_\_\_\_ on this the \_\_\_ day of \_\_\_ 20 \_\_\_

Name:

\_\_\_\_\_  
LHT Impression/Signature of Borrowers

Date:

### Cheque Submission Form (Office copy)

We request you to follow the instructions given below which are very critical since you are handing over the Post dated cheques as repayment of the loan you have availed.

#### Important Instructions:

- Cheque should be crossed as **"Account Payee only"**
- Cheque should be drawn in favour of **"Reliance Commercial Finance Limited"** Only.
- Ensure that all the corrections are countersigned.
- Amount in Figures and Words should be the same.

#### Cheque Details

Sr. No	Cheque Numbers		No. of Cheques	Date of Cheque		Bank & Branch	Amount of each Cheque
	From	To		From	To		
1							
2							
3							
4							
5							

I/We declare that, I/We have read all the instructions carefully. I/We further declare that I/We have not given any cheques, other than the one's mentioned above and RCFL will not be responsible for cheques left blank or drawn in favour of any name other than the one mentioned above under the heading **"Important Instructions"**.

\_\_\_\_\_  
LHT Impression / Signature of Borrower

Received By:

\_\_\_\_\_  
Name of Executive

(1) \_\_\_\_\_ (2) \_\_\_\_\_ (3) \_\_\_\_\_  
LHT Impression / Signature of Co- Borrower/s

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### Cheque Submission Form (Customer copy)

We request you to follow the instructions given below which are very critical since you are handing over the Post dated cheques as repayment of the loan you have availed.

#### Important Instructions:

- Cheque should be crossed as **"Account Payee only"**
- Cheque should be drawn in favour of **"Reliance Commercial Finance Limited"** Only.
- Ensure that all the corrections are countersigned.
- Amount in Figures and Words should be the same.

#### Cheque Details

Sr. No	Cheque Numbers		No. of Cheques	Date of Cheque		Bank & Branch	Amount of each Cheque
	From	To		From	To		
1							
2							
3							
4							
5							

I/We declare that, I/We have read all the instructions carefully. I/We further declare that I/We have not given any cheques, other than the one's mentioned above and RCFL will not be responsible for cheques left blank or drawn in favour of any name other than the one mentioned above under the heading **"Important Instructions"**.

\_\_\_\_\_  
LHT Impression / Signature of Borrower

Received By:

\_\_\_\_\_  
Name of Executive

(1) \_\_\_\_\_ (2) \_\_\_\_\_ (3) \_\_\_\_\_  
LHT Impression / Signature of Co- Borrower/s

**Queries & Important Note:** If applicant/borrower require any clarification regarding their application/loan, they may write in to:

**Reliance Commercial Finance Limited** (Formerly Reliance Gilts Limited)

**Registered & Corporate Office:** Reliance Centre, 6th Floor, South Wing, Off Western Express Highway, Santacruz East, Mumbai - 400055.

**Tel.:** +91 22 3303 6000 | **Fax:** +91 22 3303 6662 | **Service Queries: 022 - 3948 4900, 044 - 3078 7400.**

**Website:** www.reliancemoney.co.in | **Email us at:** customercare@reliancecommercialfinance.com

Please call us between 9:30 am - 5:30 pm from Monday to Saturday (Except public holidays)

**CIN:** U66010MH2000PLC128301

The brand Reliance Money is presented by Reliance Commercial Finance Limited (Formerly Reliance Gilts Limited). Reliance Commercial Finance Limited is a Reliance Capital Limited Company.

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