

Loan Agreement

Contents

Loan Agreement	1
Terms	1
1 Meaning of words	1
2 The loan	2
3 Pre-conditions to use	2
4 Interest, fees and costs	3
5 Repayment	3
6 Prepayment	4
7 Payments - general	4
8 Security	5
9 Covenants	6
10 The borrower's representations and warranties	6
11 Information	7
12 Events of default	8
13 What happens on default	9
14 Insurance	9
15 Notices and communications	10
16 General	10
Schedule	12
Signing page	14
Attachments	16

Important notice

The borrower needs to read this agreement.

It sets out specific terms and conditions on which the *Bank* agrees to provide the *borrower* with the Loan Against Lease Rental.

Key words

The meaning of key words printed *like* this and other words used in this agreement is explained at the beginning of this agreement.

Loan Agreement

This agreement is entered into on the date and at the place stated in the schedule between:

Standard Chartered Bank incorporated in England by a Royal Charter of 1853 and having its branch office in several cities in India including at the address stated in the schedule (the "**Bank**"); includes its successors and assigns; and

The Borrower being the person stated as the Borrower in the schedule (the "**borrower**"). If there is more than one, the "**borrower**" means each person separately as well as every 2 or more of them jointly.

Terms

1 Meaning of words

account 1 means the *borrower's* account with the *Bank* into which the lease *rental* is deposited by the *tenant*.

account 2 means the *borrower's* account with the *Bank* into which any credit balance in *account 1* after payment of all amounts due and payable by the *borrower* to the *Bank* (by way of *EMI* or otherwise) is transferred.

application means the application form signed by the *borrower* together with all related forms and consents signed by the *borrower* in connection with the *borrower's* application for the *loan facility*.

availability period means, if an availability period is stated in the *schedule* or if the *Bank* otherwise advises the *borrower* that funds can only be provided under the *loan facility* during a specified period, that period.

balance owing means, at any time, the *loan* and all other amounts owing in connection with this agreement (for example, interest, costs and fees). When this amount is to be calculated for the end of a day, it includes all debits and credits the *Bank* assigns to the *loan account* to that day.

Bank's directors or senior officers means each director, the Chief Executive Officer and each of the two most senior officers of the credit and business divisions of the *Bank* or any other division of the *Bank* responsible for providing the *loan facility*.

borrower's agent means any person the *borrower* authorises (either alone or collectively) and the *Bank* approves to act on the *borrower's* behalf in giving instructions, to perform any other acts in connection with the *loan facility* or this agreement (including collecting funds or making repayments).

circumstances beyond the Bank's control means circumstances beyond the *Bank's* reasonable control including natural events, steps taken or policies imposed by authorities, adverse market or trading conditions, failure of third parties, failure of communication or computer facilities and civil disturbances.

costs includes legal costs, charges and expenses, including those in connection with legal advisers.

default means any of the events described or referred to in clause 12 (Events of default).

default rate means, for the *loan facility* and at a particular time, the rate of interest per annum which applies to amounts owing under the *loan facility* as stated in the *schedule*, or as otherwise notified by the *Bank* to the *borrower*.

defaulter list means any list published by the Reserve Bank of India, Credit Information Bureau of India Limited or any other authority under applicable law listing persons in or connected with default, irregularity or violation of any kind.

EMI means each equal monthly instalment amount the *borrower* is required to make under this agreement. Each instalment amount is made up of principal and interest.

lease rental means, for a *tenant* and a *tenancy document*, the amount (by way of rent, lease rental, lease fee, licence fee, compensation, business conducting charges or otherwise) payable by the *tenant* to the *borrower* under the *tenancy document*.

letter agreement means, for a *tenant* and a *tenancy document*, the agreement entered into between the *borrower* as owner of the *mortgaged property* and the *tenant* in the form, or substantially in the form, attached to this agreement.

loan means the outstanding principal amount of all drawdowns under a *loan facility*.

loan account means the account maintained by the *Bank* which records the *balance owing* by the *borrower*.

loan amount means the amount the *Bank* agrees to provide under the *loan facility* as stated in the *schedule*.

loan facility means the loan facility the *Bank* makes available to the *borrower* under this agreement as described in the *schedule*.

loss includes any loss, damage, demand, claims, liabilities, and costs of any kind.

spread means the difference between the *borrower's* floating rate of interest and the *Bank's* Marginal Cost of Funds based Lending Rate (MCLR) and will be determined by factors such as credit grading of the *borrower*, quality of the security, risk profile of the industry/sector, *loan account* behaviour / conduct, product level allocable costs etc.

mortgage insurance means insurance the *Bank* requires to protect it against *loss* in connection with the *loan facility*. This includes Mortgage Redemption Term Assurance (MRTA), Household Protection Insurance and any other mortgage insurance stated in the *schedule*.

mortgaged property means each property the subject of the *security*, including the property owned by the *borrower*. Each property includes:

- if it is part of a building, the entire built up area (including all additions, alterations or other works), the *borrower's* proportionate share in the common areas of the building and the *borrower's* proportionate undivided share in the land on which the building is situated; or
- if it is an independent building, the entire building (including all additions, alterations or other works) and the entire plot of land on which the building is situated.

schedule means the schedule at the end of this agreement. It forms part of this agreement.

security means each *security interest* the *Bank* requires in connection with this agreement. It includes any *security interest* provided to the *Bank* under clause 8 (Security).

security interest means any security for the payment of money or performance of obligations including a mortgage, charge, pledge, lien or guarantee and indemnity.

security provider means each person who provides *security*.

SMS means a Short Message Service using a mobile telephone.

Standard Chartered Group means each of Standard Chartered PLC and its subsidiaries and affiliates (including each branch or representative office).

tax means any tax, levy, impost, stamp duty or other duty, charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of it).

tenancy document means, for a *mortgaged property*, the agreement between the *borrower* as owner of the *mortgaged property* and the *tenant* for the *tenant's* use of the *mortgaged property*. It includes any tenancy agreement, rent receipt, lease agreement, leave and licence agreement or business conducting agreement.

tenant means, for a *mortgaged property*, the person using the *mortgaged property* under a *tenancy document*.

The singular includes the plural and vice versa.

Headings in this agreement are for convenience only and do not affect their interpretation.

A reference to:

- a "banking day" is a reference to a day when banks are open for general banking business at the *Bank's* address stated in the *schedule* (other than Sundays and public holidays);
- "person" (including the *borrower* and the *Bank*) includes an individual, a sole proprietorship, a Hindu Undivided Family, a partnership, a body corporate, an unincorporated association, a government, a state, a club, a society, an agency of a state and a trust or any other institution;
- a person (including the *borrower* and the *Bank*) includes that person's heirs, executors, administrators, successors, substitutes (including by novation) and assigns and this agreement binds those persons;
- a person has an "interest in" or "relationship with" another person if they are a relative, partner, guarantor, manager, employee or director of, or holder of a substantial interest in, the other person;
- a person is a "relative" of another person if they are the spouse, father, mother (including step-mother), son (including step-son), son's wife, daughter (including step-daughter), daughter's husband, brother (including step-brother), brother's wife, sister (including step-sister), sister's husband, brother (including step-brother) of the spouse or sister (including step-sister) of the spouse, of the other person;
- a person has a "substantial interest" in another person if they or their spouse or children (separately or jointly) hold, in the case of a corporation, more than 10% of the paid up share capital of the corporation or, in the case of a partnership, more than 10% of the total capital subscribed in the partnership;
- "including", "such as" or "for example" when introducing an example does not limit the meaning of words to which the example relates to that example or examples of a similar kind;
- a law includes any Act, ordinance, regulation, rule, official directive, request, or guideline (whether or not having the force of law) of any authority;
- a document (such as this agreement) includes any variation or replacement of it and any reference to any details set out in a document (for example, the *loan amount*, fees, interest rates or repayment arrangements) is a reference to those details as varied in accordance with this agreement or as otherwise agreed; and
- any thing includes any part of it.

Terms which are not defined in this agreement have the meaning (if any) given to them under the General Clauses Act, 1897.

2 The loan

The loan

- 2.1 The *Bank* agrees to provide the *borrower* with a loan on the terms and conditions of this agreement. The *borrower* may only draw on the *loan facility* up to the *loan amount*. The *Bank* may cancel or vary the *loan amount* at any time without notice to the *borrower*.

Purpose

- 2.2 The *borrower* must use the *loan facility* (and the *Bank* provides funds) only for the purpose set out in the *schedule* or as otherwise approved by the *Bank*. The *loan* must not be used in connection with stock market transactions, gambling, chit fund or any other activity specified under any law or by the *Bank* as a restricted activity.

How the Bank provides the funds

- 2.3 The *Bank* pays the funds by duly crossed cheque and marked "A/c payee only" or by electronic fund transfer as directed by the *borrower* or the *borrower's* agent. The *borrower* must pay any cheque collection charges. Interest payable by the *borrower* under this agreement accrues from the time the *Bank* notifies the *borrower* the cheque is available (regardless of the time it is collected or cashed).

Term

- 2.4 The term of the *loan facility* commences on the date of the first drawdown and continues until the *balance owing* is fully repaid or for the period stated in the *schedule* / revised term as notified by the *Bank*, whichever is earlier.
- 2.5 If the *borrower* asks, the *Bank* may allow the original term of the *loan facility* to be extended up to a maximum period as stated in the *schedule*. This is to allow the *EMI* to be maintained despite any change in the interest rate (see clause 5.6).
- 2.6 If the *borrower* does not fully draw down the funds by the end of any *availability period*, the *Bank* may vary the term of the *loan facility*, the *EMI*, or the number of *EMIs*.

Conversion

- 2.7 If the *borrower* wants to convert the *loan facility* to another type of loan facility the *Bank* offers, please contact the *Bank* to discuss the *available* options. If the *Bank* agrees to a conversion it must be on terms satisfactory to the *Bank* (including payment of fees and costs).

Joint and separate liability of borrower

- 2.8 If there is more than one *borrower*, each *borrower* is liable jointly and separately for all obligations under this agreement (including the obligation to repay the *balance owing*) irrespective of the fact that any of them has not drawn any part of the loan amount. The *borrower's* obligations under this agreement are separate from their obligations under any other arrangement the *borrower* has entered into with any member of the *Standard Chartered Group* and the obligations of any guarantor of the *loan facility*.

3 Pre-conditions to use

- 3.1 Before the *borrower* can use the *loan facility*, the *borrower* must:
- create *security interest* over the *mortgaged property* in favour of the *Bank* in a form and manner acceptable to the *Bank* which the *Bank* considers necessary to ensure that the security is effective which may include handing over all the documents to the *Bank* including title documents;
 - pay all the *Bank's* costs in connection with the *loan facility*. (The *Bank* may deduct any fees payable from funds drawn down);
 - satisfy the *Bank's* insurance requirements (including, payment of the insurance premiums in the manner the *Bank* requires) and the requirements of the insurer;
 - provide the *Bank* with evidence that the *borrower* and any *security provider* has clear and marketable title to the *mortgaged property*;
 - provide the *Bank* with a declaration that there is no pending or threatened proceeding affecting the *borrower* or any of the *borrower's* property (including any suit in the Municipal Magistrates Court in connection with the property) which is likely to have a material adverse effect on the *borrower's* business, property or financial condition or their ability or willingness to comply with their obligations under this agreement;
 - comply with all applicable guidelines of the Reserve Bank of India and any other authority;
 - provide the *Bank* with all other documents and information the *Bank* reasonably requests.

Each item the *borrower* is required to provide the *Bank* must be in form and substance satisfactory to the *Bank*, the *Bank's* lawyers and the *Bank's* consultants (including evidence of stamping (if applicable) and if a document is not an original document, it must be certified in the manner the *Bank* requires as being a true and up to date copy of the original).

- 3.2 The *Bank* need not provide any funds to the *borrower* or otherwise allow the *borrower* to use the *loan facility* if:
- the *Bank* considers the *borrower* may be in *default*;
 - the *Bank* considers that the *borrower* may not be able to satisfy the *borrower's* obligations to the *Bank* under this agreement. The *Bank* may determine this is the case if, for example, there has been a change in the *borrower's* financial position since the date of the *borrower's* application;

- the *availability period* has expired;
- the *borrower's* request for funds exceeds the *loan amount*; or
- the *borrower* gives the *Bank* any incorrect, incomplete or misleading information or makes an incorrect or misleading representation or warranty.

4 Interest, fees and costs

Interest

- 4.1 The *borrower* must pay interest on the *loan* monthly as part of the EMI. An indicative interest rate is stated in the *schedule* and in the sanction letter issued to you. It is the interest rate the *Bank* offers as at the date of this agreement. The interest rate stated is not guaranteed to apply to the *loan* when the *borrower* draws down - it may change. The actual interest rate which applies to the loan when it is drawn down is the rate the *Bank* notifies the *borrower* at that time.
- The *Bank* reviews the MCLR every month and the same is published on the *Bank's* website. If the MCLR moves upwards or downwards within the validity period of the sanction letter and prior to first disbursement of the *loan*, the interest rate will get revised upwards or downwards respectively. For such *loans*, fresh sanction letter will not be issued. A new sanction letter will be issued by the *Bank* at its sole discretion after the expiry of the validity of the sanction letter.
- 4.2 Unless otherwise stated in the *schedule*, interest accrues on a daily basis and is calculated on the basis of a 360 day year (or as determined by reference to usual market practice for the relevant currency).
- 4.3 Interest is payable as part of the *EMI* on the dates set out in the *schedule*.

Fees and costs

- 4.4 The *borrower* must pay the *Bank* on demand all costs the *Bank* incurs in connection with:
- the preparation of this agreement and the *security*; and
 - searches and enquiries made in connection with the *borrower*, any *security provider* or the *mortgaged property*.
- 4.5 The *borrower* must pay all other fees and costs for the *loan facility*. The details of fees and costs are stated in the *schedule* or are available by contacting the *Bank* at any of its branches, by phone banking or by visiting the *Bank's* website.

Government charges

- 4.6 The *borrower* must pay the *Bank*, or the *Bank* may deduct from funds drawn down, an amount equal to any government charges, taxes and duties (however described) on or in connection with this agreement. These are payable whether or not the *borrower* is primarily liable for those charges, taxes and duties.

Default interest

- 4.7 From the time any amount under this agreement is overdue for payment until it is paid, the *borrower* must pay interest at the *default rate* on the overdue amount when the *Bank* asks.

Review of interest, fees and costs

- 4.8 Interest rates (including the *Bank's* MCLR) and fees, costs and spread are revised periodically. The *borrower's* interest rates may be revised as a result of changes to the *Bank's* MCLR including but not limited to spread made by the *Bank* or as directed by the Reserve Bank of India. The *borrower* must pay the interest, fees and costs applying to the *loan facility* at the relevant time. The *Bank* notifies the *borrower* of changes to the interest rate or spread. The *borrower* can find out current rates and fees and costs by contacting the *Bank* at one of its branches, by using phone banking or by visiting the *Bank's* website. Any variation of the interest rate may result in a change in the term of the loan facility, the *EMI* or the number of *EMIs*.
- The *Bank* shall have a right to increase the rate of interest on the *loan facility* by increasing the spread in the event of failure of the *borrower* to deposit all such documents including title deed which was undertaken at the time of disbursement to be deposited within a specified time.

Calculation

- 4.9 The *EMI* is calculated on the basis of monthly rests at the applicable interest rate and rounded off to the next rupee.

Refund

- 4.10 The *borrower* is not entitled to any refund of any interest, fee or costs the *borrower* has paid or to any subsidy the *borrower* has received including where the *borrower* does not use the *loan facility* or the *Bank* no longer needs to provide the *loan facility*. However, if the *Bank* does not accept the *borrower's application*, the *Bank* refunds an amount of up to Rupees 2000 or the actual processing fee (as stated in the *schedule*) paid by the *borrower*, whichever is lower.

Interest accrual and cancellation of mortgage insurance

- 4.11 If part of the *loan* is used to pay any *mortgage insurance* premium and, after disbursement, the *mortgage insurance* is cancelled or the application for the *mortgage insurance* is not accepted for any reason, interest continues to accrue on the *balance owing* (including the amount used to pay the *mortgage insurance* premium). To the extent the *Bank* receives any refund of the *mortgage insurance* premium, the *Bank* will apply it against the *balance owing*.

5 Repayment

Repayment by equal monthly instalments

- 5.1 The *borrower* must repay the *loan facility* in instalments as stated in the *schedule*. The *Bank* notifies the *borrower* the amount of the *EMI* and each *EMI* payment date.

Repayment from lease rentals

- 5.2 All amounts due and payable by the *borrower* to the *Bank* at any time (including *EMIs*, costs and fees) are intended to be satisfied from *lease rental* credited to *account 1* in accordance with the *letter agreement*. The *Bank* debits *account 1* with all amounts due and payable. However if, at any time, there are insufficient funds in *account 1* to satisfy the *borrower's* payment obligations to the *Bank* (for example, because *lease rental* has not been received or the *EMI* has increased), the *borrower* must immediately deposit sufficient funds in *account 1* to satisfy the shortfall.
- 5.3 After all payment obligations have been satisfied, the *Bank* transfers any credit balance in *account 1* to *account 2*.
- 5.4 Any credit balance in *account 2* at any time may be applied by the *Bank* to satisfy any shortfall in *account 1* (whether or not the *Bank* has requested the *borrower* to deposit funds to satisfy the shortfall).

Final repayment

- 5.5 Any *balance owing* (after payment of all *EMIs*) must be repaid on the final payment date the *Bank* notifies the *borrower*.

Variation of repayment terms

- 5.6 If the *Bank* increases or decreases the interest rate, the *Bank* will notify the *borrower* of the revised *EMI* or the revised term of the *loan facility*. If the *Bank* varies the interest rate on the *loan facility* for any reason or if for any other reason the scheduled *EMIs* would not result in the *loan* being repaid on time, the *Bank* may:
- vary the amount of the *EMI* and the number of *EMIs*; or

- if the *schedule* states that the *loan facility* has a term that may be extended if an interest rate increases, extend the term of the *loan facility* (until it reaches the maximum term stated).

However, if the maximum term is reached, the *Bank* may vary the *EMI*.

- 5.7 If the *borrower* is in *default*, the *Bank* may review the repayment terms and vary them (including the amount and number of *EMIs* and the term of the *loan facility*) as the *Bank* considers appropriate. The *Bank* will notify the *borrower* the revised terms.
- 5.8 The right to vary under this clause 5 is in addition to the *Bank's* other rights to vary as set out in this agreement. See, for example, clause 4.8 (Review of interest, fees and costs) and clause 16.7 (Variation).

Repayment on termination of employment

- 5.9 If:
- the *borrower* resigns or retires from their employment; or
 - the *borrower's* employer ends their employment,

for any reason, the *borrower* must immediately repay the *balance owing*. The *borrower* authorises the *Bank* to direct the *borrower's* employer to pay any remuneration or other benefits payable in connection with termination of the *borrower's* employment directly to the *Bank*. If this amount is insufficient to repay all amounts the *borrower* owes the *Bank* in connection with the *loan facility*, the *borrower* must pay the *Bank* the balance in the manner the *Bank* notifies the *borrower*.

6 Prepayment

Prepayment

- 6.1 The *borrower* may prepay all or part of the *loan facility* if:
- the *borrower* gives the *Bank* reasonable notice in writing. Please contact the *Bank* for further information;
 - the prepayment amount complies with any minimum or maximum amount the *Bank* specifies;
 - the *borrower* prepays only part of the loan, the *borrower* maintains a minimum *loan balance* the *Bank* specifies; and
 - when the *borrower* prepays, the *borrower* also pays all accrued but unpaid interest, fees and costs in connection with the *loan facility* (including any early redemption or prepayment fees the *Bank* charges in connection with the prepayment).
- Any minimum or maximum prepayment amount or early redemption or prepayment fees may be varied at any time by the *Bank*.
- 6.2 If the *borrower* prepays only part of the *loan*, the *Bank* may adjust the amount of each *EMI*, the number of *EMIs* and the term of the *loan facility*. Any amount prepaid is credited to the *loan account*.

7 Payments - general

Place of payment

- 7.1 All payments must be paid at the *Bank's* office stated in the *schedule*.

Payments in full

- 7.2 All payments the *borrower* must make to the *Bank* under this agreement must be received by the *Bank* on the due date in full in immediately available funds by cheque or bank draft drawn on a bank the *Bank* approves and in the currency the *Bank* specifies, without set-off, counterclaim or deduction or withholding (including on account of any *tax*) unless the deduction or withholding is required by law.

Withholding tax

- 7.3 If a law requires the *borrower* to deduct any tax from a payment to the *Bank*, the *borrower* must increase the amount payable so that, after making the deduction, the *Bank* receives the amount it would have received if no deduction had been required. The *borrower* agrees to deduct the amount for the tax, pay that amount to the relevant authority in accordance with applicable law and give the *Bank* the original receipts.

Value added tax

- 7.4 All payments to be made by the *borrower* in connection with this agreement are calculated without regard to any goods and services tax, consumption tax, value added tax or any *tax* of a similar nature. If any of these types of *taxes* is payable in connection with the payment, the *borrower* must pay the *Bank* an additional amount equal to the payment multiplied by the appropriate rate of *tax*. The *borrower* must do so at the same time as making the payment.

Right of set off

- 7.5 The *Bank* (and each other member of the *Standard Chartered Group*) may set off any amount the *Bank* (or any other member of the *Standard Chartered Group*) owes the *borrower* against any amount the *borrower* owes the *Bank* (or any other member of the *Standard Chartered Group*). (This applies whether or not the obligation is matured or contingent). The *Bank* (and each other member of the *Standard Chartered Group*) may also combine or consolidate all accounts the *borrower* maintains with the *Bank*. If the *Bank* (or any other member of the *Standard Chartered Group*) combine accounts, the *Bank* (or any other member of the *Standard Chartered Group*) will apply any credit funds held by the *borrower* in their accounts to reduce the amount owing by the *borrower* in relation to the *borrower's* other accounts. The *Bank* (and any member of the *Standard Chartered Group*) may do so at any time (even if the *borrower* is not in default).
- 7.6 If the *borrower* has a joint account, the *Bank* (and each other member of the *Standard Chartered Group*) may set off any amount the *Bank* (or any other member of the *Standard Chartered Group*) owes the *borrower* against any amount owing to the *Bank* (or any other member of the *Standard Chartered Group*) in any one accountholder's account.
- 7.7 For the purposes of clauses 7.5 and 7.6 each member of the *Standard Chartered Group* may make any necessary currency conversions at the rate they reasonably consider appropriate.

Banking days

- 7.8 If an amount is due on a day which is not a banking day, the *borrower* must pay it on the preceding banking day.

No reminders

- 7.9 It is the *borrower's* responsibility to ensure all payments (including *EMIs*, fees and costs) are made on time. The *Bank* does not issue reminders.

Debiting accounts

- 7.10 The *Bank* may debit (without notice to the *borrower*) any interest, fees, costs or any other amount the *borrower* owes the *Bank* in connection with the *loan facility* to the *loan account*.

Insufficient funds

- 7.11 If the *borrower* has insufficient funds in any account (including *account 1*) in respect of which the *Bank* is entitled to debit amounts the *borrower* owes the *Bank*, yet the *Bank* still decides to debit the account, the *Bank's* action does not constitute a waiver or otherwise affect the *Bank's* rights under this agreement.

- 7.12 If the *borrower* makes a payment by cheque and it is dishonoured, the *Bank* may commence criminal proceedings against the *borrower* under section 138 of the Negotiable Instruments Act 1881 of India.

Instructions under Reserve Bank of India's Electronic Clearing System / Standing Instructions

- 7.13 If the *Bank* requires the *borrower* to pay the *Bank* an amount by automatic payment from an account with another financial institution the *borrower* must:
- organise a payment arrangement with the other financial institution under which an amount equal to the amount, is debited from that account and deposited in *account 1* on each payment date and give the *Bank* satisfactory evidence that this is in place; or
 - provide the *Bank* with any authority the *Bank* requires to enable the *Bank* to debit the amount, to that account; or
 - if the *Bank* asks, give the *Bank* one or more signed undated cheques in the *Bank's* favour with the amount left blank and otherwise drawn as the *Bank* requires.

Authority to instruct employer to deduct

- 7.14 The *borrower* authorises the *Bank* to instruct the *borrower's* employer to debit amounts the *borrower* owes the *Bank* from the *borrower's* salary, termination or other employment benefit.

Authority to fill in cheques

- 7.15 If the *borrower* provides the *Bank* with any cheques, the *borrower* irrevocably authorises and appoints the *Bank* as the *borrower's* attorney to fill in the dates and amounts in the cheques for an amount not exceeding the *loan amount* and acknowledges that the *Bank* may use these cheques to pay any amount the *borrower* owes the *Bank* in connection with the *loan facility*.

Honouring payment instruments

- 7.16 The *borrower* must ensure that any payment instrument or payment instruction is honoured. For example, the *borrower* must:
- ensure that the *borrower* has sufficient funds in the account to be debited (including *account 1*);
 - not stop cheques;
 - not cancel or vary any payment arrangement (unless the *Bank* asks the *borrower* to do so to reflect a change in the instalments) or close or change the account on which cheques are drawn.

Post-dated cheques

- 7.17 If the *Bank* requires the *borrower* to pay an amount by post-dated cheques, the *borrower* must:
- give the *Bank* post-dated cheques in the *Bank's* favour for an amount equal to each payment amount; and
 - replace the cheques if the *Bank* asks.

How the Bank applies payments

- 7.18 Payments are taken to be made when the *Bank* credits them to the *loan account*. The *Bank* does this as soon as practicable after receipt.
- 7.19 The *Bank* may use amounts it receives under this agreement (including amounts received from the *borrower* or the *tenant* or by way of *lease rental* or proceeds of sale of the *mortgaged property*) to pay amounts the *borrower* owes the *Bank* in the following order (or any other order the *Bank* chooses):
- costs (including enforcement costs);
 - fees;
 - the unpaid interest component of any unpaid *EMI*;
 - the unpaid principal component of any unpaid *EMI*;
 - default interest;
 - the unpaid principal component of the *loan*; and
 - finally, any other amount owing.

However, if any *security* is enforced, the proceeds of enforcement of the *security* may be used by the *Bank* to pay the *balance owing* and any other amounts owing in connection with the *security* in any order the *Bank* chooses.

Payments into suspense account

- 7.20 The *Bank* may place in a suspense account any payment the *Bank* receives in connection with this agreement for so long as the *Bank* considers appropriate. This is to protect the *Bank's* rights to recover other amounts the *borrower* owes the *Bank*.

Insolvent payments

- 7.21 Under insolvency law, a person may demand the refund of a payment the *Bank* has received under this agreement. To the extent the *Bank* is obliged to make a refund or the *Bank* agrees to do so, the *Bank* may treat the original payment as if it had not been made. The *Bank* is then entitled to its rights against the *borrower* under this agreement as if the payment had never been made.

8 Security

Security over the property

- 8.1 To secure the *balance owing* and any other amount which the *borrower* may owe the *Bank* at any time, the *borrower* must provide (or arrange for any other *security provider* to provide) each *security interest* the *Bank* requires. This includes the *borrower* and any other *security provider* depositing as security all title documents to the *mortgaged property*, if the *Bank* requires this to be done before the *loan facility* is disbursed.
- 8.2 To assist in providing funds to repay the *balance owing*, the *borrower* must enter into the *letter agreement* and any other arrangements with the *tenant* which the *Bank* requires directing the *tenant* to deposit the *lease rental* directly to *account 1*. The *borrower* acknowledges that *account 1* is to be used only for the purposes set out in clause 5 and the *borrower* is not entitled to make any withdrawals from *account 1*.

Depreciation of mortgage property or termination of tenancy

- 8.3 If the *Bank* considers that the value of the *mortgaged property* has depreciated since the date of this agreement or any *tenancy document* is terminated by any tenant, the *Bank* may require the *borrower* to provide or arrange for additional *security interests* to be granted to the *Bank*. The *borrower* must do so promptly after the *Bank's* request.

Further steps

- 8.4 In addition to any other *security interest* the *Bank* may require, the *borrower* must do anything the *Bank* asks (such as obtaining consents, signing and delivering documents and getting documents completed and signed) to:
- provide further or more effective security to the *Bank* to secure the *balance owing* and any other amount which the *borrower* may owe the *Bank* at any time; and
 - allow the *Bank* to exercise its rights in connection with the *borrower's* property.

Cross collateralisation

- 8.5 The *borrower* acknowledges that each *security* secures all amounts the *borrower* owes the *Bank* at any time on any account (including in

connection with the *loan facility*). Even if the *borrower* repays the *balance owing*, the *Bank* need not release any *security* until the *Bank* is satisfied that no other amount is due or may become due for payment to the *Bank* by the *borrower*.

Bankers lien

- 8.6 In addition to any other *security interest* the *Bank* requires to secure any amount the *borrower* owes the *Bank* at any time, all the *borrower's* credit balances, money, securities, documents, instruments and other valuables deposited with the *Bank* are, on deposit, subject to a banker's lien to the *Bank*. Without limiting the *Bank's* other rights, the *Bank* may set off any such amounts or apply the lien as security for, any obligations the *borrower* owes to the *Bank*. If the *borrower* is in *default*, the *Bank* may sell or deal with the *borrower's* property to satisfy the *borrower's* obligations to the *Bank*. The *Bank* may do so without notifying the *borrower*.

Ensure compliance by security provider

- 8.7 The *borrower* must ensure that each *security provider* complies with their obligations under the *security* they provide to the *Bank*.

9 Covenants

General

9.1 The borrower must:

- (**change of employment**) immediately notify the *Bank* if the *borrower* changes the *borrower's* employment, business or profession;
- (**notify default**) immediately notify the *Bank* if the *borrower* is or may be in *default* and give the *Bank* full details of the *default* and any step taken or proposed to remedy it;
- (**maintenance**) keep the *mortgaged property* in good condition and correct any defect;
- (**compliance with rules**) comply with all laws and requirements of authorities or governing bodies and the *borrower's* other obligations in connection with the *mortgaged property*;
- (**comply with payment obligations**) pay on time all amounts for which the *borrower* is responsible as owner of the *mortgaged property* (including *taxes*, fees and costs);
- (**loss or damage**) notify the *Bank* of any material loss or damage to the *mortgaged property*;
- (**additions or alterations**) notify the *Bank* before any additions, alterations or other works are carried out on the *mortgaged property*;
- (**financial records**) if the *borrower* is a person other than an individual, provide the *Bank* with its annual audited financial statements.
- (**clear title documents**) the *borrower* has provided the *Bank* with all title documents to the *mortgaged property* which are in the *borrower's* possession;
- (**comply with directions**) the *borrower* (and the *security provider*) agree and undertake that they shall upon a request made by the *Bank* do all such acts, deeds and things which may be required to perfect the security created pursuant to Clause 8 of this Agreement. This may include without limitation all regulatory filings, registrations, intimations to be made/given, with/to any authority under the provisions of the Registration Act, 1908 or any other Act as applicable;
- (**principal instrument**) The *borrower* hereby agrees and confirms that, for the purposes of stamp duty, the *principal instrument* shall be such instrument as may be determined by the *Bank* between this Agreement or any other documents.

Negative pledge

- 9.2 The *borrower* must not, without the *Bank's* consent:

- (**no disposal**) sell or dispose of the *mortgaged property* or enter into any arrangement to do so; or
- (**part with possession**) grant any lease or licence over the *mortgaged property* or otherwise part with possession of the *mortgaged property* or enter into any arrangement to do so; or
- (**no other security interests**) create or allow to exist any *security interest* over the *mortgaged property*; or
- (**change use**) use the *mortgaged property* for any purpose other than as the *borrower's* residence. (If the *borrower* does so, the *Bank* may charge the *borrower* a higher interest rate); or
- (**no merger**) amalgamate or merge the *mortgaged property* with adjacent property or create any easement, covenant or public right that relates to the *mortgaged property* or allow one to arise; or
- (**no guarantees**) give any guarantee (or other assurance against financial loss) in connection with money borrowed or raised or the purchase of any property.

- 9.3 Blocking accounts or withholding of funds

The *bank* may block any account (and later remove the block) at any time or withhold amounts in any account at any time, if an authority requires us to do so, or we are otherwise required by law or pursuant to agreements with any regulator or any authority to do so, or if the *Bank* need's to comply with internal policies associated with any applicable order or sanction of an authority.

10 The borrower's representations and warranties

Representations

- 10.1 The *borrower* represents and warrants that:

- (**lawfully existing entity**) the *borrower* is a lawfully existing entity under Indian law conducting its business in compliance with applicable law;
- (**power**) the *borrower* has power and all necessary authorisations to own the *mortgaged property* and carry on any business the *borrower* conducts, to enter into this agreement and any *security* the *borrower* provides and to comply with the *borrower's* obligations and exercise the *borrower's* rights under them;
- (**valid obligations**) the *borrower's* obligations under this agreement and any *security* (and the obligations of any *security provider*) are valid, binding and enforceable and neither the *borrower* nor any *security provider* will be in breach of any law, authorisation, document or agreement by entering into or complying with obligations or exercising rights under this agreement or any *security*;
- (**clear title**) the *borrower* has clear and marketable title to the *mortgaged property* free from any *security interest*, easement, right of way or right of support or other liability;
- (**no change in financial circumstances**) since the date of the most recent financial statements given to the *Bank* there has been no change in the *borrower's* or any *security provider's* financial circumstances which may have a material adverse effect on the *borrower's* or the *security provider's* ability to meet any of their obligations to the *Bank*;
- (**full disclosure**) neither the *borrower* nor any *security provider* has withheld any information that might have caused the *Bank* not to enter into this agreement or provide the *loan facility* (including information about the *mortgaged property*). The *borrower* or the *security provider* must notify the *Bank*, within 30 calendar days, if the *borrower* or *security provider* becomes aware that any information given by the *borrower* or *security provider* changes, is incorrect or misleading;
- (**no immunity**) neither the *borrower* nor any *security provider* nor any property the *borrower* or any *security provider* owns has immunity from the jurisdiction of a court or from legal process;
- (**not a trustee or agent**) unless otherwise stated in the *schedule*, the *borrower* is not entering into this agreement or transacting with the *Bank* as a trustee, agent or nominee. (This means the *borrower* is liable as principal);
- (**authority of a trustee**) if the *borrower* enters into this agreement or transacts with the *Bank* as a trustee, executor, agent or nominee, the *borrower* is authorised to do so;
- (**no default**) neither the *borrower* nor any *security provider* is in *default* and no event has occurred which may, with the giving of notice or lapse of time or fulfilment of any condition, become a *default*;

- **(satisfactory construction)** the *borrower* has reviewed the building plan, commencement certificate and all other certificates and permits relating to the *mortgaged property* and is satisfied with the quality of its construction and the builder's compliance with all applicable laws (including local codes of construction);
- **(no litigation)** there is no pending or threatened proceeding affecting the *borrower* (including, if the *borrower* is a person other than an individual, any of the *borrower's* directors or partners) or any of the *borrower's* property (including any suit in the Municipal Magistrates Court in connection with the property) which is likely to have a material adverse effect on the *borrower's* business, property or financial condition or their ability or willingness to comply with their obligations under this agreement;
- **(no infringement of local laws)** the *borrower* has not been served with any notice for infringing the provisions of the Municipal Act or any laws relating to local bodies or Gram Panchayats or local authorities or with any other process under any of these laws;
- **(due payment of public demands)** the *borrower* has paid all public demands such as income tax and other *taxes* payable to the Government of India or to any other Government of any State or to any local authority and there are no amounts outstanding;
- **(not a defaulter)** the *borrower's* name is not included in any *defaulter* list nor has the name of any proprietor, partner or director of the *borrower*, and no director or partner of the *borrower* has been declared to be a wilful defaulter;
- **(not insolvent)** the *borrower* is not insolvent, none of the *borrower's* property is subject to insolvency proceedings, and, if the *borrower* is a person other than an individual, no legal proceedings or other step has been taken to declare the *borrower* "sick" under the Sick Industrial Companies (Special Provisions) Act, 1985 or to have the *borrower* wound up, dissolved or subject to partition;
- **(disclosure of defects in mortgaged property)** the *borrower* is not aware of any document, judgment or legal process or other charges or defect affecting the *mortgaged property* or title to the *mortgaged property* which has not been disclosed to the *Bank*;
- **(public schemes affecting the mortgaged property)** the *mortgaged property* is not affected in any way by any schemes of any authority or trust or by any alignment, widening or construction of any road under any scheme;
- **(the Bank has no interest in borrower)** none of the *Bank's* directors or senior officers or their relatives has any interest in the *borrower* (including, if the *borrower* is a corporation, any of the *borrower's* subsidiaries or holding companies);
- **(borrower has no relationship with the Bank)** the *borrower* (including, if the *borrower* is a person other than an individual, any of the *borrower's* partners or directors) is not one of the *Bank's* directors or senior officers and has no relationship with the *Bank's* directors or senior officers or any director of any other bank (including any Scheduled Co-operative Bank, trustee fund, mutual fund or venture capital fund).
- **(compliance with Companies Act, 2013)** the *borrower* represents that the incurring by the *borrower* of the obligations in respect of this loan under this agreement and the other agreements and writing executed in respect thereof is in full compliance with all applicable law (including without limitation the Companies Act, 2013) and all such obligations have been incurred by the *borrower* in the ordinary course of its business and for due consideration. The *borrower* further represents that the security, if any, created by the *borrower* is in full compliance with all applicable law (including without limitation the Companies Act, 2013) and the security has been created by the *borrower* in the ordinary course of its business and for due consideration.

- 10.2 The *borrower* repeats these representations and warranties each day during the term of the *loan facility*. If any representation or warranty is untrue, the *borrower* must give the *Bank* details in writing prior to signing this agreement. The *borrower* must notify the *Bank* whenever anything happens which would mean the *borrower* could not truthfully repeat these representations and warranties.

11 Information

Information must be correct

- 11.1 In entering into this agreement and providing the *loan* to the *borrower*, the *Bank* relies on the information the *borrower* and any *security provider* gives to the *Bank*. It must be correct, complete and not misleading, and all financial information the *borrower* gives to the *Bank* must give a true and fair view of the *borrower's* financial affairs and must be prepared in accordance with Generally Accepted Accounting Principles recommended by the Institute of Chartered Accountants of India.

The *borrower* must notify the *Bank* if the *borrower* becomes aware that any information the *borrower* or any *security provider* has given changes, is incorrect or misleading.

What the borrower must give the Bank and inspection rights

- 11.2 If the *Bank* asks, the *borrower* must give the *Bank* any information about or documents in connection with:
- this agreement;
 - the end use of the *loan*;
 - the *borrower's* financial affairs;
 - the *borrower's* employment, trade, business or profession.
- 11.3 The *borrower* must ensure the *Bank* (or any person the *Bank* authorises) has free access to inspect the *mortgaged property* and the *borrower's* financial records at any time.
- 11.4 All information or documents must be in the form the *Bank* requires and certified by the *borrower* to be true. The *Bank* may use the information to comply with Know Your Customer requirements specified by the Reserve Bank of India.
- 11.5 The *borrower* consents to the *Bank* periodically checking their credit status with any credit bureau or credit reference agency.

Information the Bank gives

- 11.6 Any information the *Bank* gives to the *borrower* is for reference purposes only. The *Bank* does its best to ensure that information it provides is accurate and complete. However, the *Bank* is not liable for the accuracy or completeness of the information given.

Information the Bank discloses

- 11.7 The *borrower* consents to each member of the *Standard Chartered Group*, its officers, employees, agents and advisers disclosing information relating to the *borrower* (including details of the *loan account*, the *loan facility* or any *security*) to:
- the *Bank's* head office and any other member of the *Standard Chartered Group* in any jurisdiction ("*permitted parties*");
 - professional advisers, service providers or independent contractors to, or agents of, the *permitted parties*, such as debt collection agencies, data processing firms and correspondents who are under a duty of confidentiality to the *permitted parties*;
 - any actual or potential participant or sub-participant in relation to any of the *Bank's* obligations under this agreement or any assignee, novatee or transferee (or any officer, employee, agent or adviser of any of them);
 - any credit bureau or credit reference agency, rating agency, business alliance partner, insurer or insurance broker of, or direct or indirect provider of credit protection, or any *permitted parties*;
 - any financial institution the *borrower* deals with (or has previously dealt with) for the purpose of conducting credit checks (including bank references);
 - any court, tribunal or authority (including an authority investigating an offence) with jurisdiction over the *permitted parties*;
 - the *borrower's* agent or any *security provider*;
 - anyone the *Bank* considers necessary in order to provide the *borrower* with services in connection with the *loan account*;
 - whether they are located in or outside India.
 - any regulator or tax authority where necessary to establish any tax liabilities in any jurisdiction pursuant to orders, agreements with regulators or authorities or otherwise;

- 11.8 The *borrower* understands that as a pre-condition to the *Bank* providing the *loan facility*, the *Bank* requires the *borrower's* consent for the disclosure by the *Bank* of information and data relating to the *borrower*, the *loan facility*, the *borrower's* obligations to the *Bank* and any *default* under this agreement.

Accordingly, the *borrower* agrees and gives consent for the disclosure by the *Bank* of all or any such:

- information and data relating to the *borrower*;
- the information or data relating to the *loan facility*; and
- any *default* under this agreement,

as the *Bank* considers appropriate and necessary, to disclose and provide to Credit Information Bureau (India) Ltd. and any other agency authorised by the Reserve Bank of India.

The *borrower* declares that the information and data provided to the *Bank* is true and correct.

The *borrower* undertakes that:

- the Credit Information Bureau (India) Ltd and any other agency so authorised may use, process the information and data disclosed by the *Bank* in the manner as deemed fit by them; and
- the Credit Information Bureau (India) Ltd. and any other agency so authorised may provide for consideration, the processed information and data or products prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India.

Issue of certificates

- 11.9 The *Bank* may issue certificates in connection with this agreement. However, if the *borrower* asks for a certificate evidencing the *borrower's* payment of any amount to the *Bank*, the *Bank* need only do so if:

- the *borrower* has paid all amounts due and payable under this agreement to the *Bank*; and
- the *borrower* is not otherwise in default.

The Bank's records are conclusive

- 11.10 Unless there is an obvious mistake:

- the *Bank's* records (whether in paper, electronic, data or other form) of an instruction, report, statement or other communication are conclusive evidence of their contents or the *Bank's* receipt or non-receipt of them; and
- any certificate the *Bank* issues, or decision the *Bank* makes, about a matter or an amount payable in connection with this agreement is conclusive evidence.

12 Events of default

Each of the following is an event of default:

- **(payment of dues)** the *borrower* does not pay on time an amount due under this agreement or any other arrangement the *borrower* has entered into with a member of the *Standard Chartered Group*. (This includes if the *borrower* has not ensured there are sufficient funds available in *account 1*); or
- **(supply of misleading information)** the *borrower* or any *security provider* gives the *Bank* incorrect, incomplete or misleading information or makes a representation or warranty that is incorrect or misleading; or
- **(cross default)** the *borrower* breaches any term of any arrangement the *borrower* has with another financial institution or another financial institution suspends or terminates the *borrower's* use of any banking facility; or
- **(breach by security provider)** a *security provider* breaches any term of any *security* or any agreement entered into in connection with the *mortgaged property*, any other *security interest* they have provided to the *Bank* or any other arrangement they have entered into with a member of the *Standard Chartered Group*; or
- **(breach of negative pledge)** the *borrower* fails to comply with clause 9.2 (Negative pledge); or
- **(failure to create security)** the *borrower* fails to comply with clause 8 (Security); or
- **(security unenforceable)** any *security* is or becomes unenforceable, is withdrawn or terminated without the *Bank's* consent; or
- **(insurance lapses or is terminated)** any insurance the *Bank* requires in connection with the *loan facility* is not assigned to the *Bank* or is, or becomes, unenforceable, is withdrawn, is terminated or lapses without the *Bank's* consent (including as a result of a failure to pay any insurance premium); or
- **(inability to pay debts and insolvency)** the *borrower* or any *security provider* becomes insolvent or any of the *borrower's* or any *security provider's* property is subject to insolvency proceedings or, if the *borrower* or any *security provider* is a person other than an individual, the *borrower* or any *security provider* is declared "sick" under the Sick Industrial Companies (Special Provisions) Act, or is wound up, dissolved or subject to partition; or
- **(death)** the *borrower* or any *security provider* dies or become incapacitated; or
- **(fraud)** the *borrower* or any *security provider* acts fraudulently or dishonestly; or
- **(cessation of business)** the *borrower* or any *security provider* stops payment, ceases to carry on its business or a material part of it threatens to do so; or
- **(judgment against property)** any of the *borrower's* or any *security provider's* property is subject to enforcement of a judgment by any party; or
- **(mortgaged property in jeopardy)** any *mortgaged property* or any of the *borrower's* or a *security provider's* business is in jeopardy; or
- **(criminal conviction)** the *borrower* or any *security provider* is convicted of a crime; or
- **(legal proceedings)** legal proceedings to recover debts or criminal proceedings are commenced against the *borrower* or any *security provider*; or
- **(the borrower's or any security provider's business)** any business the *borrower* or a *security provider* operates is not carried on in a proper, orderly and efficient manner or the *borrower* or a *security provider* ceases to operate it or a substantial part of it or significantly change it without the *Bank's* consent; or
- **(material adverse change)** any thing occurs which, in the *Bank's* opinion, is likely to have a material adverse effect on the *borrower's* or a *security provider's* business, property or financial condition or their ability or willingness to comply with their obligations under this agreement or any *security*; or
- **(default under security)** any other event of default (however described) under any *security* occurs; or
- **(breach of law)** performance of any obligation by either the *borrower* or the *Bank* under this agreement or a *security provider* under any *security* breaches, or is likely to breach, a law or a requirement of any authority; or
- **(performance of other covenants)** the *borrower* breaches any other term of this agreement or any other arrangement the *borrower* has entered into with a member of the *Standard Chartered Group* and, if the breach can be remedied, the *borrower* has not remedied it within 30 days.
- **(failure to deposit)** the *borrower* breaches to deposit all such documents including title deeds which he had undertaken to deposit within a specified time at the time of disbursement.

13 What happens on default

Immediate repayment and enforcement

13.1 If the *borrower* is in default:

- the *Bank* no longer needs to provide the *loan facility*;
- the *Bank* may demand immediate repayment of all amounts owing to the *Bank* under this agreement including the *balance owing*;
- the *security* is enforceable despite anything contrary in this agreement or any other agreement or document.

The *Bank's* rights under this clause do not affect any other right under this agreement and are subject to the giving of any notice, demand or lapse of time which is required by applicable law and cannot be excluded.

No effect on rights and liabilities

13.2 Ending the *borrower's* right to use the *loan facility* does not affect any of the rights and obligations of either the *borrower* or the *Bank* which arose before it ended. The *borrower* is not entitled to any refund of any fee or amount paid or any subsidy received in connection with the *loan facility*.

Review of entitlements

13.3 If the *borrower* is in default the *Bank* may review and withdraw any promotional or preferential arrangement that applies to the *borrower*.

Enforcement action

13.4 If the *borrower* is in default, the *Bank* may take any action the *Bank* considers appropriate to enforce this agreement or any *security* including:

- employing any third party agent to collect any amount owing to the *Bank*;
- attaching the *balance owing* to the *borrower's* or a *security provider's* property;
- taking steps to enforce the *Bank's* rights against the *borrower's* or a *security provider's* property; and
- commencing legal proceedings against the *borrower* or a *security provider*.

Enforcement expenses

13.5 When the *Bank* asks, the *borrower* must pay the *Bank* the reasonable costs the *Bank* incurs after default in connection with:

- preserving and monitoring the *mortgaged property*; and
- enforcing this agreement and the *security*.

Indemnity for default

13.6 The *borrower* indemnifies the *Bank* against, and must pay the *Bank* on demand for, any loss the *Bank* incurs in connection with the *borrower's* default.

Public disclosure of default

13.7 If the *borrower* is in default, the *Bank* and the Reserve Bank of India, may disclose or publish the *borrower's* name in any manner the *Bank* considers appropriate.

Communications with third parties

13.8 If the *borrower* is in default, the *borrower* consents to the *Bank* (or any person the *Bank* authorises):

- communicating in any manner it considers appropriate with any person who may assist in preserving and monitoring the *mortgaged property* or enforcing this agreement or the *security*; and
- visiting the *borrower's* place of employment or business.

14 Insurance

Property insurance

14.1 *Bank* requires the *borrower* must maintain:

- insurance over all *mortgaged property* at all times during the tenure of the loan; and
- all other insurances the *Bank* notifies the *borrower*.

14.2 Each insurance policy the *Bank* requires must:

- be with a licensed insurer chosen by the *borrower*. If the *borrower* purchases an insurance policy from an insurer with an alliance arrangement with the *Bank*, the *Bank* may pay the premium directly to the insurer and increase the balance owing by the amount paid;
- cover the risks that the *Bank* specifies (including fire, earthquake, flood, storm, tempest or typhoon and all other natural calamities and acts of God);
- be on terms and for a value satisfactory to the *Bank*; and
- specify the *Bank* as sole beneficiary or, if the *Bank* asks, be assigned to the *Bank*.

14.3 The *borrower* is solely responsible for the renewal of each insurance policy and the payment of all premiums.

14.4 If a claim is made on an insurance policy, the *borrower* must deal directly with the insurer and do everything the insurer requires to process the claim.

14.5 The *borrower* must maintain any insurance policy assigned to the *Bank* (including by paying the premiums on time).

14.6 If the *Bank* asks, the *borrower* must give the *Bank* payment receipts and any other information about, or documents in connection with, each insurance policy.

14.7 If the *Bank* receives any amount in connection with an insurance policy (for example, any claim proceeds or refunds), the *Bank* may apply the amount against the *balance owing*. This may result in the *Bank* varying the amount and number of *EMIs* and/or the term of the *loan facility*.

Mortgage insurance (MRTA)

14.8 If the *borrower* takes a MRTA life term insurance (which compensates the borrower for the loan if the *borrower* dies), the *borrower* must notify the *Bank* immediately. If the *Bank* asks, the *borrower* must assign the MRTA life term insurance to the *Bank*.

Clauses 14.9 to 14.15 apply if the schedule states that *mortgage insurance* is required for the *loan facility*. *Mortgage insurance* protects the *Bank*. In certain circumstances it provides protection for loss the *Bank* may suffer in connection with the *borrower's* *loan facility*.

14.9 The *Bank* applies to an insurer appointed by the *Bank* to obtain *mortgage insurance* in connection with the *loan facility*.

14.10 The *borrower* acknowledges that the insurer decides whether or not to issue the *mortgage insurance*. The *Bank* need not do anything to ensure that the insurer issues the requested *mortgage insurance*.

14.11 The *borrower* must pay to the *Bank* any amounts which the *Bank* is required to pay to the insurer in connection with the *mortgage insurance*, when the *Bank* asks the *borrower* to do so and within the time the *Bank* specifies. This may be before the amount is due to the insurer.

14.12 The *borrower* must reimburse the *Bank* for all costs which the *Bank* incurs in connection with the *mortgage insurance* (including applying for it and making claims against it).

- 14.13 The *Bank* may add any amounts the *borrower* has not paid to the *Bank* in connection with the *mortgage insurance* to the *balance owing*.
- 14.14 The *borrower* acknowledges and agrees that in connection with any *mortgage insurance* (whether arranged by the *borrower* or the *Bank*):
- the *Bank* is the insured and beneficiary under the *mortgage insurance* and it is for the *Bank's* protection, interest and benefit only;
 - the *borrower* does not benefit from the *mortgage insurance* and the *borrower* is legally responsible for repaying to the insurer the amount outstanding under the *loan facility*;
 - the *borrower* is only entitled to the proceeds of any claim under the *mortgage insurance* after the *balance owing* has been paid in full.
- 14.15 If the *mortgage insurance* is cancelled because all amounts owing under the *loan facility* have been paid in full by the *borrower*, the insurer may refund to the *Bank* a portion of the *mortgage insurance* premium. If the *Bank* receives a refund the *Bank* will apply it against the *balance owing*. However, the *Bank* does so only if the premium has been paid as a lump sum.
- 14.16 The *borrower* acknowledges that the right to, and calculation of, any potential refund from the insurer is governed by the terms of the *mortgage insurance*.

15 Notices and communications

Contact information

- 15.1 The *borrower* must give the *Bank* in writing their address, telephone, fax number, email address and mobile phone number for receipt of notices and other communications in connection with this agreement. If these details change the *borrower* must give the *Bank* reasonable advance notice in writing before the change has taken place.

Form of notices and communications

- 15.2 Unless otherwise provided in this agreement, notices and communications must be legible and sent to the address, telephone number, fax number, email address or mobile phone number last notified.
- 15.3 In some cases, the *Bank's* notices and communications may be made as public announcements in daily newspapers, posted at any of the *Bank's* branches, or on the *Bank's* website.

When notices and communications to the borrower are effective

- 15.4 Unless otherwise provided in this agreement, the *Bank's* notices and communications to the borrower are effective:
- if sent by fax, at the time shown on the transmission report as being successfully sent;
 - if delivered personally, at the time of delivery;
 - if sent by courier or post within India, 2 banking days after posting;
 - if sent by courier or post outside India, 5 banking days after posting;
 - if sent by email or *SMS*, 4 hours after the *Bank* sends it unless the *Bank* receives a delivery failure receipt;
 - if delivered via the online banking inbox, 24 hours after the *Bank* sends it; and
 - if published in daily newspapers, posted at any of the *Bank's* branches or on the *Bank's* website, at the time of publication or posting.

When notices and communications to the Bank are effective

- 15.5 The *borrower's* communications are effective when the *Bank* actually receives them in legible form.

Recording of telephone conversations

- 15.6 Subject to any applicable law, the *borrower* consents to the *Bank* recording the *Bank's* telephone conversations with the *borrower* or a *borrower's agent* (and the *borrower* confirms the *borrower* is authorised to provide consent on behalf of the *borrower's agent*). The *Bank* may inform that person when the *Bank* does. The *Bank* may use the recorded conversations or transcripts in any dispute in connection with this agreement.

Communications to joint accountholders

- 15.7 If the *borrower* is a joint accountholder, communications (including notice of any variation to this agreement and any statements) sent to the address the borrower has notified the *Bank* as the address for receipt of notices and other communications in connection with this agreement are taken to be given to each *borrower*.

16 General

Circumstances beyond the Bank's control

- 16.1 The *Bank* is not liable for any loss the *borrower* incurs in connection with the *Bank's* inability or delay in receiving or executing instructions due to any *circumstances beyond the Bank's control*.
- 16.2 If any *circumstances beyond the Bank's control* occur, the *Bank* may take any action it considers appropriate in connection with the *loan account*.

Further steps

- 16.3 The *borrower* must do anything the *Bank* asks (such as obtaining consents, signing and producing documents and getting documents completed and signed):
- to bind the *borrower* and any other person intended to be bound by this agreement;
 - to show whether the *borrower* is complying with this agreement; and
 - to confirm anything done by the *Bank* in the proper exercise of its rights under this agreement.

Prompt performance

- 16.4 If this agreement specifies when the *borrower* must perform an obligation, the *borrower* must perform it by the time specified. The *borrower* must perform all other obligations promptly.

Waiver

- 16.5 A provision of this agreement, or right created under it, may not be waived except in writing signed by the party or parties to be bound and is only effective for the purpose for which it is given.
- 16.6 If the *Bank* does not exercise a right or remedy fully or at a given time, the *Bank* can still exercise it later.

Variation

- 16.7 The *borrower* acknowledges that various features of the *loan facility* may be changed, including fees, interest rates, the basis for calculating interest rates and the spread. The *Bank* notifies the *borrower* of the change. However, the *Bank* may also vary any of the other terms of this agreement by notice to the *borrower* in accordance with the *Bank's* usual practice and in accordance with any applicable law. This may include giving notice to the *borrower* by public announcement as set out in clause 15.3.

Additional services

- 16.8 From time to time the *Bank* offers incentive programmes or value added services in connection with the *loan facility* provided by the *Bank* or a third party. The *Bank* may vary or withdraw the programmes or services at any time. The *Bank* is not liable for the quality, reliability, price or delivery of any programme or service. Please contact the *Bank* if the *borrower* wants to find out more information about the terms of the programmes or services.

Consents

- 16.9 The *borrower* must comply with all conditions in any consent or approval the *Bank* gives in connection with this agreement.

How the Bank may exercise its rights

- 16.10 The *Bank* may exercise a right or remedy, give or refuse its consent or approval in connection with this agreement in any way the *Bank* considers appropriate, including by imposing conditions. The *Bank* need not give the *borrower* reasons for any decision it makes.

The *borrower* agrees that the *Bank* shall be entitled to recall the Loan in its discretion at any time including if the *Bank* considers that the loan account is being operated in an irregular or improper manner, by giving to the *Borrower* notice in writing. It is agreed that the Repayment provisions set out in the Schedule(s) hereto is without prejudice to the Bank's right to recall the entire Loan and to demand payment of the Loan. Upon such recall, the Loan and all other amounts stipulated by the *Bank* shall be payable forthwith by the *borrower*.

Conflicting claims

- 16.11 If the *Bank* considers any funds in any account may be subject to conflicting claims, the *Bank* may take action (including getting legal advice or taking legal proceedings) to determine the matter. The *Bank* may act in accordance with any determination and the *Bank* is not liable to the *borrower* for any loss the *borrower* incurs.

Outsourcing

- 16.12 The *Bank* may employ independent contractors and agents (including correspondents) to perform any of the *Bank's* obligations under this agreement or provide the *loan facility* on terms the *Bank* considers appropriate.

Dealings

- 16.13 The *borrower* must not assign or transfer the *borrower's* rights and obligations under this agreement to anyone without the *Bank's* consent first.
- 16.14 The *Bank* may assign, securitise or otherwise deal with the *Bank's* rights under this agreement in any way the *Bank* considers appropriate. The *borrower* acknowledges and agrees that, if the *Bank* does this:
- the *Bank* need not get the *borrower's* consent or give the *borrower* any prior notice; and
 - the *borrower* may not claim against any assignee (or any other person who has an interest in this agreement) any right of set-off or other rights the *borrower* has against the *Bank*.

If the *Bank* asks, the *borrower* must execute and give the *Bank* or any other person the *Bank* specifies any document the *Bank* reasonably requires for this purpose.

Change in constitution

- 16.15 The *borrower* must not change their constitution by amalgamation, consolidation, reconstruction, admission of any new partner or otherwise, without the *Bank's* consent. The *borrower* must also ensure that each *security provider* does not do so without the *Bank's* consent. All *securities*, agreements, obligations given or undertaken by the *borrower* remain valid and binding despite any change in the *Bank's* or the *borrower's* constitution by amalgamation, consolidation, reconstruction, death, retirement or otherwise.

Anti-money laundering and counter terrorism financing

- 16.16 In order to comply with anti-money laundering laws, counter terrorist financing laws, regulations and policies (including the *Bank's* policies), reporting requirements under financial transactions legislation and requests of authorities, the *Standard Chartered Group* may be:
- prohibited from entering or concluding transactions involving certain persons or entities; or
 - required to report suspicious transactions to an authority. Transactions impacted include those that may:
 - involve the provision of finance to any person involved or suspected of involvement in terrorism or any terrorist act;
 - be relevant to investigation of an actual or attempted evasion of tax law, investigation of or prosecution of a person for an offence against any applicable law; or
 - involve persons or entities which may be the subject of sanctions.
- 16.17 A member of the *Standard Chartered Group* may intercept and investigate any payment messages and other information or communications sent to or by the *borrower* or on the *borrower's* behalf and may delay, block or refuse to make any payment. Payment screening may cause a delay in processing certain information.
- 16.18 No member of the *Standard Chartered Group* is liable for any loss arising out of any action taken or any delay or failure by the *Bank*, or a member of the *Standard Chartered Group*, in performing any of its duties or other obligations, caused in whole or in part by any steps taken as set out above.

The Bank's decision is conclusive

- 16.19 If there is any dispute in connection with this agreement, the *Bank's* decision is conclusive and binding unless there is a manifest error.

Governing law

- 16.20 This agreement is governed by the laws of India.

Jurisdiction

- 16.21 The parties submit to the non-exclusive jurisdiction of the courts of the place where the *Bank* provides the *loan facility* to the *borrower*. The *Bank* may take enforcement action and initiate proceedings in the courts of any other jurisdiction where the *borrower* has property. To the extent allowed by law, the *Bank* may take proceedings in any number of jurisdictions at the same time. The *borrower* may only initiate an action in the courts of the place where the *Bank* provides the *loan facility* to the *borrower*.

Serving documents

- 16.22 Without preventing any other method of service, any document in a court action may be served on a party by being delivered to or left at that party's address last notified.
- 16.23 Complying with orders and directives
- If the *Bank* is served or issued with any of the following:
- court orders;
 - directives issued under law, regulators, authorities or agreements with any regulator or any authority,
- the *Bank* will act in accordance with them and the *borrower* must not commence proceedings against the *Bank* in relation to the banks actions.
- 16.24 Compliance with law
- Nothing in the *Banks* agreement requires us to do or not do anything if it would or might in the banks reasonable opinion constitute a breach of the *Banks* policy or any applicable law, regulation or requirement of any authority.

Schedule

Date and place of agreement

The Bank's branch address

Borrower(s)

Name: _____
Address: _____
Email ID: _____

Name: _____
Address: _____
Email ID: _____

Name: _____
Address: _____
Email ID: _____

Loan facility
(clause 2.1)

- (a) Loan amount (excluding insurance premium)
₹. _____ (Rupees _____ only)
- (b) i) MRTA Single Premium Financing Policy applied for: Yes ☐ No ☐
Amount of loan towards payment of MRTA insurance premium
₹. _____ (Rupees _____ only)
- ii) House Hold Protection ("HHP") Plan Policy applied for: Yes ☐ No ☐
Amount of loan towards payment of HHP Plan insurance premium
₹. _____ (Rupees _____ only)
- iii) Name of any other insurance applied for _____
₹. _____ (Rupees _____ only)
- iv) Processing fee ₹. _____ (Rupees _____ only)
- (c) Total loan amount ₹. _____ (Rupees _____ only)
(a+b)

Loan purpose
(clause 2.2)

Loan term
(clause 2.4)

Availability
(clauses 2.6 and 3.2)

Interest rate
(clause 4.1)

- ☐ Floating Interest
Indicative floating interest rate _____ % per annum (as at the date of this agreement). The floating interest rate is linked to the 6 months Marginal Cost of Funds based Lending Rate (MCLR). The MCLR is the benchmark rate for lending products in the Bank. The MCLR will be published every month on the Bank's website. The MCLR prevailing on the date of first disbursement of the loan shall be applicable to the borrower's loan. The interest rate will be reset at the frequency mentioned in the sanction letter. The interest reset will have an impact on the borrower's interest rate. The interest reset date is linked to the date of publication of MCLR by the Bank. The interest rate prevailing on the date of first disbursement of the loan will be applicable till the next reset date, irrespective of the changes in the MCLR during the interim

☐ Semi Fixed Rate

Indicative Fixed Interest Rate _____ % per annum (as at the date of this agreement)

The *borrower* must pay a fixed interest rate for a period of _____ months from the first drawdown date of the *loan*. After the expiry of the fixed interest rate period the interest rate is calculated at the applicable floating rate. Interest rate applicable post completion of fixed tenure would be effective on or before the 7th working day of the calendar month, succeeding the month in which the fixed period is over. On expiry of the fixed period the *loan* will be linked to the MCLR prevailing on the date of expiry of the fixed period plus the spread communicated to the *borrower* in the sanction letter. Subsequent to that the interest rate will be reset at the frequency mentioned in the sanction letter. The interest reset will have an impact on the borrower's interest rate. However, during the fixed interest rate period, if the *loan* is provided by a single drawing, it accrues interest at the fixed interest rate which applies to the *loan* at the drawdown date. If the *loan* is provided by more than one drawing during the fixed interest rate period, each time funds are provided the fixed interest rate applying to the *loan* is recalculated to give a weighted average as between the funds previously drawn and the interest rate applying to those funds, and the new drawing and the fixed interest rate applying at the time of the new drawing. This weighted average is the fixed interest rate which applies to the *loan* for the remainder of the fixed interest rate period (subject to any recalculation for further drawings). Each time the fixed interest weight is recalculated, the *Bank* notifies the borrower the new fixed interest rate applying to the *loan*.

Fees and costs

(clause 4.4)

Repayment

Term of repayment _____ months

(clause 5)

Repayment mode ECS ☐ SI ☐

EMI ₹. _____ for the amount of the *loan* at fixed interest rate

If the *borrower* selects the Semi Fixed Rate of Interest Scheme, the *EMI* for the amount of the *loan* at a fixed interest rate is for the fixed interest rate period (being a period of _____ months from the first drawdown date.)

EMI ₹. _____ for the amount of the *loan* at variable interest rate

Date of commencement of *EMI* _____

Default rate

MRTA

No/Yes

(clause 14)

Premium amount for

Not applicable/ _____

MRTA

(clause 3)

Signing page

Signed and delivered by Standard Chartered Bank

by the hand of Mr/Mrs _____

Its Authorised Signatory

ACCEPTED BY BORROWER

Place:

Date:

LIMITED COMPANY AS BORROWER

For and on behalf of _____

Signature: _____

Name(s): _____

Designation(s)/ Title(s): _____

(Authorised Signatory/ ies)

Common Seal:

Common Seal of _____ Limited
is affixed in accordance with the resolution passed in a duly convened meeting of its Board of Directors held on _____ and
in presence of its officials as below who have signed as witnesses

Name

Designation/ Title

Signature

PARTNERSHIP FIRM AS BORROWER

For self and as a Partner of _____

By the hand(s) of:

Name	Signature as an Individual	Signature as Partner

[To be signed two times, first as an individual and secondly as partner of the firm]

SOLE PROPRIETARY FIRM AS BORROWER

For and on behalf of _____

Signature: _____

Name: _____

(Sole Proprietor)

INDIVIDUAL(S) AS BORROWER

Name	Signature

Annexure

Letter Agreement

Board Resolution (Borrower)

Partnership Authority Letter

Guarantee Agreement

Board Resolution (Guarantor)

ANNEXURES

Letter Agreement

Place:

Date:

Dear Sir,

Mortgaged property let out to you:

_____ (**"Mortgaged Property"**)

Reference: Lease/ Licence/ any other _____ Agreement dated
_____ between us (**"Lease / Licence Agreement"**)

We have let out the Mortgaged Property to you on under the Lease / Licence Agreement.

Please note in this regard that Standard Chartered Bank ("Bank") has granted us a loan facility of

Rs. [Amount in words] _____]

Rupees. [Amount in figures]

_____] (**"Loan Facility"**)

against the lease rental due from you to us under the Lease / Licence Agreement and mortgage in favour of the Bank over the Mortgaged Property and we are in the process of executing documents in favour of the Bank in connection with the Loan Facility.

As required under the terms and conditions of the Loan Facility:

We request, instruct and authorize you, irrevocably and unconditionally, to pay all amounts due and payable to us under the Lease / Licence Agreement directly to the Bank by issuing and sending to the Bank an A/c Payee cross cheque favouring "Standard Chartered Bank A/c. No. [_____]"] at the following address or as may be advised by the Bank otherwise:

Bank's Address: _____

Such payments by you to the Bank will completely discharge you in terms of your liability for the payment due to us under the Lease / Licence Agreement.

Kindly note that all payments into the above account shall continue until such time you receive a written confirmation from the Bank of our having repaid the Loan Facility.

Kindly note also that we have authorized the Bank to enter the Mortgaged Property and inspect it in accordance with our rights under the Lease / Licence Agreement.

We further request and instruct you in view of mortgage in favour of the Bank over the Mortgaged Property that in the event of premature termination of the Lease / Licence Agreement for any reason whatsoever to:

- ③ inform the Bank in writing 3 months prior to such termination.
- ③ handover vacant and peaceful possession of the Mortgaged Property to the Bank.

Kindly acknowledge your acceptance of these instructions by signing below. Thank you.

Yours faithfully,

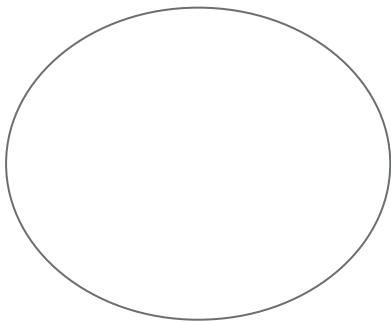
For [Borrower (being Lessor/ Licensor)'s Name]

[Borrower (being Lessor/ Licensor)'s Signature]

AGREED & ACCEPTED

For [Lessee/ Licencee's Name]

[Lessee/ Licencee's Signature]



Round Stamp of Lessee/Licencee's

[Need not be stamped]

Board Resolution (Borrower)

Certified True Copy of the resolution passed in the duly convened meeting of the Board of Directors of _____ ("Company")

1. The Board was informed that, at the request of the Company, Standard Chartered Bank ("Bank") has, in terms of its sanction letter dated _____ addressed to the Company ("Sanction Letter"), offered/ continued to extend Loan Against Lease Rental facility up to a maximum principal amount of:

Rs _____ (Rupees _____)

to the Company on the terms and conditions more specifically set out in the Sanction Letter, a copy of which was placed before the meeting.

2. It was noted and confirmed that the total borrowings of the Company, including under the credit facilities offered/ continued to be extended in terms of the Sanction Letter shall not be in excess of the amount for which consent has been received (for the purpose of section 293 (1)(d) of the Companies Act, 1956) in the general meeting of the Company and such consent is valid and subsisting¹.
3. It was noted and confirmed that the consent has been received (for the purpose of section 293(1)(a) of the Companies Act, 1956) in the general meeting of the Company for creating security in favour of the Bank (by way of mortgage, hypothecation or otherwise) and such consent is valid and subsisting².
4. After due deliberations, the Board passed the following resolutions:
 - a. That the Company be and is authorised and shall avail of from the Bank the Loan Against Lease Rental facility ("Loan Facility") in terms of the Sanction Letter;
 - b. The Company be and is authorised to create (or caused to be created) security and procure guarantee(s) in favour of the Bank to secure and guarantee the Bank in terms of the Sanction Letter;
 - c. The Company be and is authorised to execute (or caused to be executed) and tender such documentation to the Bank as required in terms of the Sanction Letter; and
5. It was further resolved that:
 - a. the Company does procure from

_____ &

¹ This clause is required in case the Borrower is a public company (or a private company being a subsidiary of a public company) borrowing loans for period longer than 6 months or for financing capital expenditure.

² This clause is required in case the Borrower is a public company (or a private company being a subsidiary of a public company) creating security in the Bank's favour over substantial undertaking of the company.

guarantee(s) in favour of the Bank to guarantee various credit facilities granted to the Company;

- b. Mr _____,
a Director/ Authorised Official of the Company be and is authorised to create a mortgage by deposit of title deeds of the Company's immovable properties to secure repayment of Loan Facility being provided by the Bank;
- c. the further documents received under cover of the Sanction Letter which have been placed before the meeting be and are approved for execution by the Company in accordance with the Articles of Association of the Company;
- d. the following official(s) of the Company be and is (are) authorised to execute the necessary documents required by the Bank in this connection:

Designation	Name

- e. that the common seal of the Company be affixed wherever necessary in the presence of the following official(s) of the Company in terms of Articles of Association of the Company:

Designation	Name

6. It was further resolved that a copy of this resolution be submitted to the Bank certified as true copy by the following official(s) of the Company:

Designation Name

7. It was further resolved that the Bank shall be deemed to have been authorized to act and rely upon the above resolutions until and unless it receives a written notice from the Company of their revocation.

For:		
Signature:		
Name(s):		
Designation(s)/ Title(s):		
(Authorised Signatory/ ies)		

Place:

Date:

Partnership Authority Letter

Place:

Date:

From:

Name of the Partnership firm	Address of the Partnership firm
("Borrower")	

To

Standard Chartered Bank

[Address _____]
("Bank")

Dear Sirs,

Subject	Loan Against Lease Rental granted by the Bank to the Borrower ("Loan Facility")
Bank's Sanction Letter	Ref:
Date:	Total amount of the Loan Facility
Rs. [in figures]	Rs. [in words]

We, the persons named at the bottom of this letter being all the partners (and there being no others) of the Borrower with our respective interests in the capital of the Borrower set out against each of our names (below), hereby and in consideration of the Loan Facility as referred to above being granted by the Bank to the Borrower and so as to bind the Borrower and each one of us personally for the due repayment of the total amount remaining outstanding under the Loan Facility (including interest, additional interest, processing charges, fees, costs, charges and

expenses and all other amounts payable by the Borrower to the Bank) authorise the following partners to jointly and severally represent the Borrower and all partners before the Bank and to do, execute and perform the any one or more of the following acts, deeds, matters and things:

- a. To accept and agree with the terms and conditions as may be offered by the Bank for the Loan Facility granted by the Bank from time to time and to sign on behalf of the Borrower, such forms, agreements as may be required by the Bank from time to time to record the Loan Facility granted by the Bank to the Borrower
- b. To deposit title deeds of the mortgaged property belonging to the Borrower for creating mortgage to secure the Loan Facility granted by the Bank to the Borrower;
- c. To create such other security in favour of the Bank as may be required by the Bank to secure the Loan Facility granted by the Bank to the Borrower; and
- d. To generally do all such acts, deeds, matters and things, which in the opinion of the Bank are necessary with respect to the Loan Facility or otherwise as may be required by the Bank.

Name of the Partner authorised to sign for us and on behalf of the Borrower	Capital Share%

[Advisable to mention minimum 51% Capital Shareholders]

2. We confirm that the partners whose names appear below are the only existing partners of the Borrower and shall continue to remain jointly and severally liable to the Bank for any/all liabilities under any of the acts done or omitted to be done by any one or more of the partners named above in pursuance of this authority letter.
3. We hereby undertake to inform you should there be a change in the constitution of the Borrower.
4. We further confirm that all of the following partners of the Borrower who have affixed their name and signatures below shall always remain jointly and severally liable for the repayment of the principal amount of the Loan Facility granted by the Bank from time to time together with interest, additional interest, pre-payment costs, charges, expenses and all other sums that may be due and payable to you.

Yours faithfully,

For and on behalf of the Borrower	[Insert name of Borrower.]	
Name of the Partner	Capital Share%	Signature
TOTAL	100%	



[To be stamped as Guarantee]

Guarantee Agreement

Place:	Date:	Guarantor's Constitution:
Guarantor's Name:	Guarantor's Address:	
Borrower's Name:		
Loan Agreement signed by the Borrower dated:	Sanction Letter accepted by the Borrower dated:	
Principal Amount hereby Guaranteed (in figures):	Principal Amount hereby Guaranteed (in words):	

This Agreement is executed by the Guarantor in favour of the Bank at the place and on date stated above.

1. Definitions

In this agreement the capitalized words shall have the following meanings:

Bank means Standard Chartered Bank a bank incorporated in England by Royal Charter having its principal office at 1, Aldermanbury Square, London, EC2V75B and office in India inter alia at Standard Chartered Tower, 201/ B1, Western Express Highway, Goregaon (East), Mumbai- 400 063 and shall include one or more of its branches where the Facility is offered or availed and the term Bank shall include its successors and assigns;

Borrower means the entity whose name is stated above as Borrower availing of the Facility from the Bank in terms of the Loan Agreement executed by the Borrower;

Guarantor means an entity guaranteeing to the Bank the obligations of the Borrower and mentioned in the schedule attached hereto as Guarantor such entity being:

- a) one or more individual(s): each one of them deemed to have made this Agreement individually and all of them agreed to obligations hereunder jointly and severally and the term Guarantor shall include the heirs, executors, administrators and legal representatives of each one of them.
- b) a Proprietary firm: the person whose name is stated in the Schedule as Proprietor and the term Guarantor shall include heirs, executors, administrators and legal representatives of the proprietor.

- c) a Hindu Undivided Family (HUF): the HUF and persons whose names are stated in the Schedule as Members and any person becoming a member after the date hereof collectively; and the term Guarantor shall include the survivor(s) of the members of the HUF and heirs, executors, administrators, legal representatives and successors of each one of them.
- d) a partnership firm: the firm and the persons whose names are stated in the Schedule as Partners collectively and the term Borrower shall include the firm's successor and the 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.
- e) a limited company, a society or a body corporate otherwise and the term Guarantor shall include its successors and administrators.

Loan Agreement means an Agreement for Lease Rental executed by the Borrower including the Sanction Letter accepted by the Borrower stating the terms and conditions of the Loan Facility;

Loan Facility means one or more facilities or banking arrangements granted/ continued or agreed to be granted by the Bank to the Borrower as specified in the Sanction Letter and one or more of them together as the context permits;

Sanction Letter means the Bank's letter to the borrower stating salient features of the Loan Facility and in case there being more than one Sanction Letters) all of them read consequentially and shall include any other letter or communication addressed by the Bank to the Borrower in relation to the Loan Facility;

2. Background

- 2.1. In terms of the Loan Agreement executed by the Borrower as first mentioned, the Bank has agreed to provide the Loan Facility as may be agreed upon from time to time between the Bank and Borrower on the terms and conditions specified and contained therein.
- 2.2. One of the conditions specified in the Loan Agreement is that the Borrower shall procure and furnish to the Bank one or more guarantees for the purpose of guaranteeing due payment by the Borrower of all or some or any of the sums due under the Loan Agreement or any part thereof on demand by the Bank.
- 2.3. The Guarantor at the request of the Borrower and in consideration of the Bank having agreed to grant or granted and/or continue at the request of the Guarantor the Loan Facility to the Borrower, have agreed to execute this Guarantee in favour of the Bank on the terms and in the manner hereinafter appearing.

3. Guarantor's guarantee and indemnity:

In consideration of the above premises, the Guarantor agrees as follows:

- 3.1. If at any time the Borrower defaults in payment of any amounts due to the Bank under the Loan Agreement in respect of, or under, the Loan Facility, or any of them, the Guarantor(s) shall forthwith on demand and without demur, pay to the Bank the whole of such amounts and/or any other monies as may be then due to the Bank in respect of the Loan Facility and shall indemnify and keep indemnified the Bank against all losses whatsoever, which the Bank may incur by reason of any default on the part of the Borrower in terms of the Loan Agreement or any other circumstance which in the opinion of the Bank materially and adversely affects the position of the security cover under the Loan Agreement to the Bank; the Bank's opinion in this regard being final and binding on the Guarantor.

- 3.2. The Bank shall have the fullest liberty without affecting this Guarantee to postpone for any time or from time to time, enforce or forbear to enforce any remedies of securities available to the Bank, at its liberty with reference to the matters aforesaid or any of them. The liability of the Guarantor under this guarantee shall in no manner be affected by any such variations, acts or forbearance, or by reason of time being given to the Borrower, or of any other forbearance act or omission on the part of the Bank or any other indulgence by the Bank to the Borrower or by any other matters or things whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor.
- 3.3. If the Loan Facility has been further secured by hypothecation of the Borrower's movable properties and/or mortgage of the Borrower's immovable properties under separate security documents executed by the Borrower with the Bank, which security documents contain stipulations as to insurance, assignment and delivery of Insurance Policy to the Bank, the margin on value of properties to be maintained and the periodical submission of different statements to the Bank and other matters, the Guarantor agrees that no failure in requiring or obtaining such security or in the observance or performance of any of the stipulations or terms of the said security documents and no default of the Bank in requiring or enforcing the observance or performance of any of the said stipulations or terms shall have the effect of releasing or discharging or in any manner affecting the liability of the Guarantor under these presents.
- 3.4. The Bank shall be at liberty to take in addition to the subsisting securities any other securities for the Loan Facility or any of them or any part thereof and to release or forbear to enforce all or any of the remedies upon or under such securities and any collateral security or securities now held by the Bank and that no such release or forbearance as aforesaid shall have the effect of releasing or discharging or in any manner affecting the liability of the Guarantor under the Guarantee and that the Guarantor shall have no right to the benefit of the said security and/or any other security that may be held by the Bank until the claims of the Bank against the Borrower in respect of the Loan Facility and of all (if any) other claims of the Bank against the Borrower on any other account whatsoever shall have been fully satisfied and then in so far as such security shall not have been exhausted for the purpose of realising the amount of the Bank's claims and rateably only with other Guarantor or other persons (if any) entitled to the benefit of such securities respectively.
- 3.5. The Guarantee herein contained shall be enforceable against the Guarantor notwithstanding the securities aforesaid or any of them or any other collateral securities that the Bank may have obtained or may obtain from the Borrower or any other person.
- 3.6. In order to give effect to the Guarantee herein contained the Bank shall, upon invoking of the Guarantee, be entitled to act as if the Guarantor were principal debtors to the Bank for all payments guaranteed by them as aforesaid to the Bank.
- 3.7. The Guarantee herein contained is a continuing one for all amounts advanced by the Bank to the Borrower in respect of or under the Loan Facility as also for all interest, costs and all other monies which may from time to time become due and remain unpaid to the Bank under the Loan Agreement and shall not be determined or in any way be affected by any account or accounts opened or to be opened by the Bank becoming nil or coming into credits at any time or from time to time or by reason of the said account or accounts being closed and fresh account or accounts being opened in respect of fresh facilities being granted within the overall limit sanctioned to the Borrower.
- 3.8. Notwithstanding the Bank's rights under any security which the Bank may have obtained or may obtain the Bank shall have fullest liberty to call upon the Guarantor to pay all or any other monies for the time being due to the Bank in respect of or under the Loan Facility or

any of them without requiring the Bank to realise from the Borrower the amount due to the Bank in respect of the Loan Facility and/or requiring the Bank to enforce any remedies or securities available to the Bank.

- 3.9. The Guarantee herein contained shall not be determined or in any way prejudiced by any absorption of the Bank or by any amalgamation thereof or therewith but shall enure and be available for and by the absorbing or amalgamated Bank or concern.
- 3.10. The Guarantee shall be irrevocable and enforceable against the Guarantor notwithstanding any dispute between the Bank and the Borrower.
- 3.11. The Guarantor shall forthwith on demand made by the Bank deposit with the Bank such sum or security or further sum or security as the Bank may from time to time specify as security for the due fulfillment of their obligations under this Guarantee and any such security deposited with the Bank may be sold by the Bank after giving to the Guarantor 7 days notice of sale and the said sum or the proceeds of sale of the securities may be appropriated by the Bank in or towards satisfaction of the said obligations and any liability arising out of non-fulfilment thereof by the Guarantor.
- 3.12. The Guarantor hereby agrees that notwithstanding any variation made in the terms of the Loan Agreement and/or any of the said security documents including reallocation/interchange of the individual limits within the principal sum variation in the rate of interest, extension of the date for payment of the instalments, or any composition made between the Bank and the Borrower to give time to or not to sue the Borrower, or the Bank parting with any of the securities given by the Borrower, the Guarantor shall not be released or discharged of its obligation under this Guarantee provided that in the event of any such variation or composition or agreement the liability of the Guarantor shall notwithstanding anything herein contained be deemed to have accrued and the Guarantor shall be deemed to have become liable hereunder on the date or dates on which the Borrower shall become liable to pay the amount/amounts due under the said Agreement and/or any of the said security documents as a result of such variation or composition or agreement.
- 3.13. The Guarantor hereby agrees and confirms that the Bank shall be entitled to adjust appropriate or set-off all monies held by the Bank to the credit of or for the benefit of the Guarantor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Guarantor under these presents.
- 3.14. The Guarantor agrees that notwithstanding the Bank for any reason whatsoever losing and/or parting with any of the securities given by the Borrower, the Guarantor shall not be released or discharged of its obligations under this Guarantee and in the event of the Bank so losing or parting with the security the Guarantor shall be deemed to have consented to or acquiesced in the same.
- 3.15. The Guarantor agrees that if the Borrower being (a) an individual becomes insolvent or (b) a firm being dissolved or (c) being a company enters into liquidation or winding up (whether compulsory or voluntary) or if the management of the undertaking of the Borrower is taken over under any law or if the Borrower and/or the under-taking of the Borrower is nationalised under any law or any arrangement or composition is made with its creditors the Bank may (notwithstanding payment to the Bank by the Guarantor or any other person of the whole or any part of the amount hereby secured) rank as creditor and prove against the estate of the Borrower for the full amount of all the Bank's claims against the Borrower or agree to and accept any composition in respect thereof and the Bank may receive and retain the whole of the dividends, composition or other payments thereon to the exclusion of all the rights of the Guarantor in competition with the Bank until all the Bank's claims are fully satisfied and the Guarantor will not by paying off the amounts payable by them or any

part thereof or otherwise prove or claim against the estate of the Borrower until the whole of the Bank's claims against the Borrower have been satisfied and the Bank may enforce and recover payment from the Guarantor of the full amount payable by the Guarantor notwithstanding any such proof or composition as aforesaid. On the happening of any of the aforesaid events, the Guarantor shall forthwith inform the Bank in writing of the same.

- 3.16. The Guarantee hereby given is independent and distinct from any security that the Bank has taken or may take in any manner whatsoever whether it be by way of hypothecation pledge and/ or mortgage and/or any other charge over goods, movables or other assets and/or any other property movable or immovable and that the Guarantor have not given this Guarantee upon any understanding faith or belief that the Bank has taken and/or may hereafter take any or other such security and that notwithstanding the provisions of Sections 140 and 141 of the Indian Contract Act, 1872 or other section of that Act or any other law, the Guarantor will not claim to be discharged to any extent because of the Bank's failure to take any or other such security or in requiring or obtaining any or other such security or losing for any reason whatsoever including reasons attributable to its default and negligence benefit of any or other such security or any of the rights to any or other such security that have been or could have been taken.
- 3.17. The Guarantor agrees that any admission or acknowledgement in writing signed by the Borrower of the liability or indebtedness of the Borrower or otherwise in relation to the Loan Facility and or any part payment as may be made by the Borrower towards the principal sum hereby guaranteed or any judgment, award or order obtained by the Bank against the Borrower shall be binding on the Guarantor and the Guarantor accepts the correctness of any statement of account that may be served on the Borrower which is duly certified by any officer of the Bank and the same shall be binding and conclusive as against the Guarantor also and the Guarantor further agrees that in the event of the Borrower making an acknowledgment or making a payment the Borrower shall in addition to his personal capacity be deemed to act as the Guarantor's duly authorised agent in that behalf for the purposes of Sections 18 and 19 of the Limitation Act of 1963.
- 3.18. The Guarantor agrees that in addition to any other rights enjoyed by the Bank, in the event of the Guarantor/s committing any default to meet its/their obligation hereunder, the Bank shall be entitled to disclose the same to the Reserve Bank of India or any other statutory / regulatory authority or to any other third person, the name/identity of the Guarantor/s and/or all its/their Directors/Partners and the default as committed. In case of default in meeting any of the Guarantor/s' obligations to the Bank, the Bank or the Reserve Bank of India will have an unqualified right to disclose or publish the name of the Guarantor/s and/or its/their directors/partners as defaulters (including as wilful defaulters) in such manner and through such medium as the Bank and/or the Reserve Bank of India in their absolute discretion may deem fit.
- 3.19. The Guarantor agrees that the amount due under or in respect of the Loan Facility and hereby guaranteed shall be payable to the Bank within 7 (seven) days on the Bank's serving the Guarantor with a notice requiring payment of the amount and such notice shall be deemed to have been served on the Guarantor either by actual delivery thereof to the Guarantor or by despatch thereof by Registered Post or Certificate of Posting to the Guarantor's address herein given or any other address in India which, the Guarantor may by written intimation give to the Bank or request that communication addressed to the Guarantor be despatched. Any notice despatched by the Bank by Registered Post or Certificate of Posting to the address to which it is required to be despatched under this clause shall be deemed to have been duly served on the Guarantor four days after the date of posting thereof, and shall be sufficient if signed by any officer of the Bank and in proving such service it shall be sufficient if it is established that the envelope containing such notice, communication or demand was properly addressed and put into the post office.

3.20. The Guarantor shall be under an obligation at all times to intimate any change in their address mentioned hereinabove to the Bank.

3.21. The Guarantor hereby agrees, confirms and undertakes that:

- a) The Bank shall, as it may deem appropriate and necessary, be entitled to disclose all or any: (i) information and data relating to the Guarantor; (b) information or data relating to the Guarantor; (ii) information or data relating to the Loan Facility or any other credit facility (ies) availed / to be availed by the Guarantor from the Bank; (iii) obligations assumed / to be assumed by the Guarantor in relation to the Loan Facility; and (iv) default, if any, committed by the Guarantor in discharge of the aforesaid obligations, to any agency/ credit bureau (the "Agency") authorized in this behalf by Reserve Bank of India ("RBI").
- b) The Agency so authorized may use, process the aforesaid information and data disclosed by the Bank in the manner as deemed fit by them.
- c) The Agency so authorized may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/ financial institutions and other credit grantors or registered users, as may be by RBI in this behalf.
- d) The information and data furnished by the Guarantor to the Bank from time to time shall be true and correct.

3.22. The Guarantor hereby agrees that in case the Borrower and/ or the Guarantor commits a default in payment or repayment of any amounts in respect of the Facilities, the Bank and/ or RBI will have an unqualified right to disclose or publish the details of the default and the names of the Borrower and Guarantor, their directors, partners and connected Persons as the case may be, as defaulters (including as "Willful defaulters"), in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

3.23. The Guarantor expressly agrees that:

- a) the Bank shall be entitled to sell, novate, assign or transfer the Bank's rights and obligations under this Agreement and/ or the Loan Facility in whole or in part and in such manner (by way of sale, securitization, inter bank participation or otherwise) to any Person and on such terms in the Bank's sole discretion and any such arrangement shall conclusively bind the Guarantor; and
- b) the Bank shall have a right in this regard to disclose all the information the Bank has about the Borrower, the Guarantor and the Loan Facility to such person including a prospective buyer, novatee, assignee or transferee.

3.24. The Guarantor hereby consents to the Bank, its officers and agents disclosing information relating to me/us and my/our account(s) and/or dealing relationship(s) with the Bank, including but not limited to details of my/our facilities, any security taken, transactions undertaken and balances and positions with the Bank, to (i) the head office of the Bank, any of its subsidiaries or subsidiaries of its holding company, affiliates, representative and branch offices in any jurisdiction (the "Permitted Parties"); (ii) professional advisers and service providers of the Permitted Parties who are under a duty of confidentiality to the Permitted Parties; (iii) any actual or potential participant or sub-participant in relation to any of the Bank's rights and/or obligations under any agreement between us, or assignee, novatee or transferee (or any agent or adviser of any of the foregoing); (iv) any rating agency, insurer or insurance broker of, or direct or indirect provider of credit protection to any Permitted Party; (v) any court or tribunal or regulatory, supervisory, governmental or quasigovernmental authority with jurisdiction over the Permitted Parties.

3.25. The Guarantor agrees that that the Bank shall have a right to visit any of the Guarantor's premises to inspect the Guarantor's activities, records and books of accounts.

3.26. This Agreement shall be subject to the jurisdiction of the courts/ tribunals at the place of the branch where the Loan Facility is granted by the Bank and enjoyed by the Borrower and in the event of the Loan Facility being transferred to a branch at any other place, then such other place where the Loan Facility is transferred or resides for the time being.

3.27. This Guarantee shall be governed by and construed in accordance with Indian law.

IN WITNESS WHEREOF the Guarantor have executed this Deed the day and year first hereinabove written.

LIMITED COMPANY AS GUARANTOR

For and On behalf of:		
Signature:		
Name(s):		
Designation(s)/		
Title(s):		
(Authorised Signatory/ ies)		

Common Seal

Common Seal of _____
Limited is hereunto affixed pursuant to the resolution passed in a duly convened meeting of its Board of Directors held on _____ and in presence of its officials as below who have set their respective hands hereto in witness thereof

Name	Designation/ Title	Signature
_____	_____	_____

PARTNERSHIP AS GUARANTOR

For self and as a Partner of

By the hand(s) of:

Name	Signature as an Individual	Signature as Partner

[To be signed two times, firstly as an individual and secondly as partner of the firm]

HUF AS GUARANTOR

For and On behalf of _____ HUF

By the hand(s) of:

Position	Name	Signature
Karta		
Member		
Member		
Member		
Member		

SOLE PROPRIETARY FIRM AS GUARANTOR

For and On behalf of _____

Signature: _____

Name: _____

(Sole Proprietor)

INDIVIDUAL (S) AS GUARANTOR

Name	Signature

[Need not be stamped]

BOARD RESOLUTION (GUARANTOR)

Certified True Copy of the resolution passed in the duly convened meeting of the Board of Directors of _____ ("Company")

1. The Board was informed that, at the request of the Company, Standard Chartered Bank ("Bank") has, in terms of its sanction letter ("Sanction Letter") dated _____ addressed to _____ ("Borrower"), offered/ continued to extend Loan Against Lease Rental facility ("Loan Facility") up to a maximum principal amount as follows:

Rs _____ (Rupees _____) to the Borrower on the terms and conditions more specifically set out in the Sanction Letter, a copy of which was placed before the meeting.
2. The Board was further informed that the Sanction Letter has required the Borrower to procure guarantee of the Company in favour of the Bank to guarantee the Loan Facility offered/ continued to be extended by the Bank to the Borrower and the Borrower has requested the Company to extend the guarantee in favour of the Bank accordingly.
3. It was noted and confirmed that extending such guarantee as aforesaid in favour of the Bank by the Company, shall not be in breach by the Company of sections 372A and 295 of the Companies Act, 1956¹.
4. After due deliberations, the Board passed the following resolutions:
 - a) That the Company be and is hereby authorised and shall guarantee the Bank the repayment of the Loan Facility offered/ continued to be extended by the Bank to the Borrower in terms of the Sanction Letter;
 - b) The Company be and is hereby authorised to create (or caused to be created) security over its property to secure the Bank in furtherance of its guarantee as required under the Sanction Letter; and
 - c) The Company be and is hereby authorised to execute (or caused to be executed) and tender such further documentation in favour of the Bank as required in terms of the Sanction Letter.
5. It was further resolved that:
 - a) the following official(s) of the Company be and is (are) hereby authorised to execute the necessary documents required by the Bank in this connection:

Designation	Name
_____	_____

¹ This clause is required in case the Guarantor is a public company (or a private company being a subsidiary of a public company).

- b) that the common seal of the Company be affixed wherever necessary in the presence of the following official(s) of the Company in terms of Articles of Association of the Company:

Designation	Name

6. It was further resolved that a copy of this resolution be submitted to the Bank certified as true copy by the following official(s) of the Company:

Designation	Name

7. It was further resolved that the Bank shall be deemed to have been authorized to act and rely upon the above resolutions until and unless it receives a written notice from the Company of their revocation.

For:		
Signature:		
Name(s):		
Designation(s)/ Title(s):		
(Authorised Signatory / ies)		
Place:		
Date:		

Electronic Debit Authorisation to Bank Account

(To be filled in by Borrower if repayment is through ECS)

To,
The Manager Operations,
Centralised Loan Processing Unit (CLPU)
Standard Chartered Bank,
58, Armenian Street,
Chennai - 600 001

Dear Sir,

RE: Authorisation to pay loan amount vide equated monthly installments ("EMI") to CLPU, Standard Chartered Bank ("Bank") through the Electronic Debit Clearing Mechanism.

Please arrange to incorporate a standing instruction to debit my / our bank account towards payment of my / our loan amount vide EMI and / or any overdue / late charges / cheque bounce charges as per the details given below:

Loan account number:

Loan account number:

Name:

Particulars of Bank account

A. Name of Account Holder:

B. Bank Name:

C. Branch Address:

D. Account Number:

I / We, having a Bank loan account, as mentioned above, hereby express my / our unconditional consent to debit payments of my / our loan amount vide EMI and / or any overdue/ late charges / cheque bounce charges referred to above through participation in the Electronic Clearing System ("ECS") of the National Clearing Cell of the Reserve Bank of India and hereby unconditionally and irrevocably authorize the Bank to raise the debits on such regular payments as referred to above, against my / our bank.

Account Number with bank.

I / We hereby declare that the particulars given above are correct and complete and if the transaction is delayed or not effected at all for reasons of incomplete or incorrect information I / We would not hold the Bank responsible. I / We agree and understand that my / our bank shall be informed of these debits as per the enclosed letter. I / We shall advise them of the same and I / We understand that the instruction cannot be withdrawn / cancelled except with the written consent of the Bank, for the payment of the loan amount vide EMI and / or any overdue / late charges / cheque bounce charges.

Signature of Sole / First Account Holder

Name

Signature of Second / Joint Account Holder

Name

(Please Note: To be signed by all account holders as per mandate on the savings / current a/c with your bank)

