

## **FACILITY AGREEMENT**

This agreement (this "**Agreement**" or "**Facility Agreement**") is made at the place and date as specified in **PART A OF SCHEDULE 4**, respectively, between:

the Persons, whose name(s) and address(es) are specified in **PART A OF SCHEDULE 4**, as borrower(s) (hereinafter, collectively (in case there are more than one borrower), referred to as the "**Borrower**"); **AND**

the Persons, whose name(s) and address(es) are as specified in **PART A OF SCHEDULE 4**, as co-borrower(s) (hereinafter, collectively (in case there are more than one co-borrower), referred to as the "**Co-Borrower**"); **AND**

**AXIS FINANCE LIMITED**, a non-banking financial company under the Reserve Bank of India Act, 1934, having its registered office at Axis House, Ground Floor, Wadia International Centre, Worli, Mumbai – 400025, and an office at a place mentioned in **PART A OF SCHEDULE 4** (hereinafter referred to as the "**Lender**" or "**AFL**" which expression shall unless repugnant to the context or meaning thereof shall include its successors, novates, transferees and assigns).

(The Borrower, the Co-Borrower and the Lender, wherever the context so admits, are hereinafter individually referred to as "**Party**" and collectively as "**Parties**")

**WHEREAS** upon the request of the Borrower and the Co-Borrower, the Lender has agreed to provide a financial assistance up to the amount as specified in the Sanction Letter (*as defined herein below*) to the Borrower, with full power to the Lender from time to time to reduce or altogether withdraw the Facility (*as defined herein*), on the terms and conditions appearing herein and the Sanction Letter (*as defined herein*).

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

### **1. GENERAL, DEFINITIONS AND INTERPRETATIONS**

**1.1 Definition:** In this Agreement, the capitalised terms shall have the following meanings:

**Affiliate** of any specified person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any "Relative" (as such expression is defined in the Companies Act, 2013) of such natural person.

**AFL Interest Rate** shall mean the reference rate so declared by the Lender, which is subject to change from time to time as deemed fit by the Lender. The information with respect to AFL Reference Rate is available on Lender's website.

**Applicable Interest Rate or Rate of Interest or Interest Rate** shall mean rate of interest as specified in the Sanction Letter.

**Applicable Law** shall mean any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing (to the extent any of them has the force of law) by, any statutory or regulatory authority whether in effect as of the date of any Finance Documents or thereafter and in each case as amended, modified or substituted from time to time.

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**Asset Cover or Security Cover or LTV Ratio** shall have the meaning ascribed to such term in Clause 12.9 hereof.

**Availability Period** shall mean the period as specified under Sanction Letter or such extended period as may be permitted by the Lender, during which the Lender may disburse the Facility basis the disbursement request made by the Borrower, in accordance with the terms of Finance Documents.

**Borrower** shall mean, one or more, individual(s), sole proprietary firm(s), partnership firm(s), trust(s), Hindu undivided family(ies), society(ies), company(ies) or limited liability partnership firm(s) whose name(s) and address(s) is/are stated in **PART A OF SCHEDULE 4** and are executing this Agreement as borrower(s), and

- i. in case when the Borrower is an individual, the term "Borrower" shall include his/her heirs, executors, administrators, legal representatives and permitted assigns;
- ii. in case the Borrower is a sole proprietary firm, the term "Borrower" shall include the person whose name appears as a sole proprietor and his/her heirs, executors, administrators, legal representatives and permitted assigns;
- iii. in case the Borrower is a partnership firm, the term "Borrower" shall include, the said firm together with its partners in their individual capacities and survivors or survivor of them or partners or partner for the time being thereof and his/her/their respective heirs, executors, administrators, legal representatives, successors and permitted assigns;
- iv. in case the Borrower is a society, the term "Borrower" shall include its successors and permitted assigns;
- v. in case the Borrower is a trust, the term "Borrower" shall include its trustees, beneficiaries, their legal heirs, successors, administrator and permitted assigns;
- vi. in case the Borrower is a public/private limited company or a limited liability partnership firm, the term "Borrower" shall include its successors and permitted assigns.

**BPI or Broken Period Interest** mean the total daily interest that will accrue on the outstanding Facility from the first disbursement date until the first monthly Repayment Installment/EI payment Due Date in accordance with terms of the Finance Documents.

**Business Day** shall mean a day (other than a Sunday) on which banks are normally open for regular banking business in Mumbai.

**Credit Bureau(s)** shall mean any credit information company under the Credit Information Companies (Regulation) Act, 2005, and/or any other agency authorized to undertake activities of the similar nature by any regulatory authority/ Governmental Authority.

**Clearances** shall mean any consent, permission, license, approval, registration, waiver, no-objection, permit or other authorisation of any nature which is granted / to be granted by any Governmental Authority or any other Person (including creditors and shareholders) in relation to (a) the performance by any of the Obligors of the terms of the Finance Documents, (b) for the enforceability of any Finance Documents and the making of any payments contemplated thereunder, (c) in connection with the business and operations of the Borrower/Co-Borrower/Guarantor, including all Clearances required by the Borrower/Co-Borrower/Guarantor to own and/or develop the properties being provided as Security under the Finance Documents, and (d) for availing the Facility, creating, perfecting and preserving the Security.

**Co-Borrower** shall mean, one or more, individual(s), sole proprietary firm(s), partnership firm(s), trust(s), Hindu undivided family(ies), society(ies), company(ies) or limited liability partnership firm(s) whose name(s) and address(s) is/are stated in **PART A OF SCHEDULE 4** and are executing this Agreement as co-borrower(s), and

- i. in case when the Co-Borrower is an individual, the term "Co-Borrower" shall include his/her heirs, executors, administrators, legal representatives and permitted assigns;
- ii. in case the Co-Borrower is a sole proprietary firm, the term "Co-Borrower" shall include the person whose name appears as a sole proprietor and his/her heirs, executors, administrators, legal representatives and permitted assigns;

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- iii. in case the Co-Borrower is a partnership firm, the term "Co-Borrower" shall include, the said firm together with its partners in their individual capacities and survivors or survivor of them or partners or partner for the time being thereof and his/her/their respective heirs, executors, administrators, legal representatives, successors and permitted assigns;
- iv. in case the Co-Borrower is a society, the term "Co-Borrower" shall include its successors and permitted assigns;
- v. in case the Co-Borrower is a trust, the term "Co-Borrower" shall include its trustees, beneficiaries, their legal heirs, successors, administrator and permitted assigns;
- vi. in case the Co-Borrower is a public/private limited company or a limited liability partnership firm, the term "Co-Borrower" shall include its successors and permitted assigns.

**Constitutional Documents** in respect of a company shall mean the memorandum of association and articles of association of such company, as amended from time to time, and in respect of a limited liability partnership firm shall mean limited liability partnership agreement or such other agreement, deeds of such limited liability partnership firm, as amended from time to time, and in respect of a partnership firm shall mean its partnership deed or such other agreement, deeds of such partnership firm, as amended from time to time, and in relation of a trust shall mean its trust deed and any bye laws governing such trust, or any other agreement, deeds of such trust governing its management, as amended from time to time, and in respect to a society its incorporation document and society bye laws governing the management of such society, as amended from time to time.

**Default** shall mean an Event of Default.

**Disbursement** shall mean disbursement of funds under the Facility.

**Disbursement Date** shall mean the date(s) of Disbursement which shall be a Business Day falling within the Availability Period. **DSRA/ISRA** shall mean any financial reserve, for debt servicing or interest servicing, created by way of undisbursed Facility amount or by way of overdraft or lien on fixed deposit or cash collateral, to be maintained by the Obligors in accordance with the terms of the Sanction Letter.

**Due Date(s)** shall mean, as the context may require the Interest Payment Date, the Repayment Date (with Grace Period, if applicable) or the date on which any other amount payable under the Facility falls due in terms of this Agreement, the Finance Documents and the Sanction Letter.

**EI or Equated Installment** shall mean, if applicable, the amount payable every month/quarter/half-year/year by the Borrower to the Lender comprising of Interest, or, as the case may be, principal and Interest in accordance with the terms as specified in the Sanction Letter.

**End Use(s)** shall mean utilization of the Disbursement by the Borrower for the Purpose, as mentioned in Clause 3 hereof.

**Event of Default** shall mean the meaning ascribed to the term in Clause 17 hereof.

**Facility** shall mean loan or financial assistance, by way of overdraft and/or dropline overdraft and/or term loan facility, aggregating to the amount specified under the Sanction Letter, provided/agreed to be provided by the Lender to the Borrower under this Agreement and such other documents governing the particular Facility.

**Facility Agreement** shall include this Agreement along with all its schedules, annexures, the Sanction Letter and any amendments/supplements/novations/restatements made thereto.

**Final Settlement Date** shall mean the date on which all Obligations owed/payable to the Lender by the Obligors have been paid, discharged or performed in full to the satisfaction of the Lender, in accordance with the terms of the Finance Documents and there are no sums which are owed or payable, even contingently, to the Lender by the Obligors, under or pursuant to the Finance Documents.

**Financial Year** shall mean the period starting on April 1 of a calendar year and ending on March 31 of the subsequent calendar year.

**Finance Document(s) or Financing Document(s)** shall mean all documents entered into in relation to the grant of the Facility and/or the creation of any Security Interest and/or other rights and privileges of the Lender, including but not limited to this Agreement, the Sanction Letter, the Security

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Documents, any disbursement request and any other document executed by any of the Obligor or on their behalf and designated as such by the Lender.

**GAAP** shall mean generally accepted accounting principles in India or such other accounting principles as may be notified from time to time.

**Governmental Authority** shall mean the Government of India, or the government of any other state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or commission under the direct control of the Government of India or the government of any other state of India.

**Guarantor** shall mean any Person guaranteeing due performance and repayment of Obligations by the Borrower to the Lender, including the Persons specified under **PART A OF SCHEDULE 4**, and the expression Guarantor shall include:

- i. in case when the Guarantor is one or more individual(s), his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns;
- ii. in case the Guarantor is one or more company(ies)/limited liability partnership firm(s), the term Guarantor shall include its/their successors and permitted assigns.

**Guarantee Deed(s)** shall mean the deed(s) of guarantee executed by the Guarantor(s) in favour of the Lender.

**Hypothecated Assets** shall mean the assets as mentioned in the Sanction Letter, including both present and future interest, right, title of the Obligor therein, hypothecated/ charged as Security in favour of the Lender securing the Facility.

**IBC** means the Insolvency and Bankruptcy Code, 2016, the rules and regulations thereunder, and as may be amended, re-enacted, replaced, re-titled, from time to time.

**Indemnified Party** shall have the meaning ascribed to it in Clause 18 hereof.

**Information** shall have the meaning ascribed to it in Clause 31 (b).

**INR or Rupees or Rs** shall mean the lawful currency of the Republic of India.

**Insolvency Laws** shall mean IBC and/or such other Applicable Law (whether in existence/applicable now or may come in existence/become applicable later) which at any time deals with any insolvency, bankruptcy, liquidation, winding up, moratorium, dissolution, restructuring, reorganisation, rehabilitation or any analogous or similar action or proceedings in relation to any person, whether any such action or proceedings are pursuant to the action or decision or recommendation of such person, board of directors or other similar governing body of such person, shareholders, partners, members, any creditors, or other stakeholders of such person or any authority or any other person under Applicable Law, and shall include any take-over or change in management of such person or any of its businesses or undertakings or assets by any authority.

**Insurance Contracts** shall have the meaning ascribed to such term in Clause 5 in **PART A OF SCHEDULE 3** hereof.

**Interest** shall have the meaning ascribed to such term in Clause 6 hereof.

**Interest Payment Date** shall mean the dates on which the Borrower/Co-Borrower shall pay the interest on the Loan, as a part of EI or Repayment Instalment, as specified in the Sanction Letter and under the repayment schedule prescribed under **SCHEDULE 5** (as may be revised from time to time by the Lender, at its sole discretion), and if such day is not a Business Day, then the Business Day immediately preceding such first day. If such preceding day is not a Business Day, then interest shall be payable on the immediately succeeding Business Day.

**Interest Tax** shall mean any tax, fees or other statutory levy payable by the Lender which is levied on any payments in the nature of interest (howsoever the same may be described including but not limited to Penal Charges, penalties and damages) or any other statutory levy including any charges, taxes or levy under the Interest Tax Act, 1974 and all such imposts, duties and taxes (of any description whatsoever).

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**Lease Agreement** shall mean and include the lease agreement/lease deed executed/to be executed between the Lessor and the Lessee, in relation to the lease of the Property, as amended/supplemented/renewed from time to time.

**Legal Proceeding(s)** shall mean any litigation, judicial, quasi-judicial, and administrative or arbitral proceedings or proceedings with respect to any commission of inquiry.

**Lender or AFL** means **Axis Finance Limited**, a non-banking financial company incorporated under the provisions of the Companies Act, 1956 having its registered office at Ground Floor, Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors, transferees, novates and assigns.

**Lessee** shall mean the Person(s), more particularly described in the Sanction Letter, and any other lessee to whom the Property is leased out by the Lessor in future, with prior consent of the Lender.

**Lessor** shall mean the Person(s) who own the Property and have leased out the Property to the Lessee and more particularly described under the Sanction Letter.

**Loan or Loan Amount** shall mean the principal amounts of the loan availed/ utilised under the Facility or (as the context requires) so much thereof as may be outstanding from time to time.

**Loan Account(s)** shall mean such account(s), opened by the Borrower, current account(s) or other account(s) at the specified branch of such bank, as may be determined by the Lender or such other branch, as may be intimated to the Borrower by the Lender from time to time, for payment / repayment in respect of the Loan availed including payment of all costs, charges, expenses incurred by the Lender and reimbursements of which the Borrower is required to make to Lender under the provisions of this Facility Agreement and where the Lender may at its discretion disburse the Facility.

**Material Adverse Effect** shall mean any change or the effect or consequence of an event, fact, circumstance, occurrence, development or condition including any adverse change in the market conditions viz. a prospective change, change in national or international monetary, financial, economic or political conditions or currency notes which has caused or in the sole opinion of the Lender, is likely to cause an adverse effect on or is prejudicial to:

- (a) the ability of the Borrower or any of the other Obligors to enter into, perform or comply with their respective obligations under the Finance Documents to which they are a party; or
- (b) the Security, or, any part thereof; or
- (c) the status or validity of any material contracts, consents or governmental approvals required for the Borrower or any of the other Obligors to carry on their respective businesses, operations or financial conditions of the Borrower or any other Obligor.

**Material Terms shall mean the terms and conditions as stipulated under Part C of Schedule 4 herein, including stipulations related to the payment of the principal and/or interest component of the Facility, delay in creation of Security and the submission of documents/information in accordance with the terms and conditions of the Finance Documents; a breach of which will incur Penal Charges for the Borrower.**

**Mortgaged Property(ies)** shall mean, any of the property(ies) mortgaged/to be mortgaged by any of the Obligors in favour of the Lender securing the Obligations under the Facility, including the immoveable properties specified under the Sanction Letter.

**Obligor** shall mean the Borrower, Co-Borrower, Guarantor(s), Security Provider and any other Person having undertaken/ agreed to undertake any obligation towards Lender including creation/ perfection of the Security and/or providing any contractual comfort to the Lender pursuant to the Facility.

**Obligations** shall mean all amounts owing, or payable to the Lender pursuant to the terms of the Finance Documents, whether due or not, including without limitation:

- (a) the principal outstanding of the Loan and all interest on the Loan, compound interest, the Penal Charges, premia on prepayment, all fees, commissions, charges, dues and monies payable, Interest Tax, Taxes and all other obligations and liabilities of the Borrower, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in

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- connection with any Finance Documents;
- (b) any and all sums advanced by the Lender in order to preserve the Security or preserve any of the Secured Assets including but not limited to payment of stamp duty, insurance premium, statutory levies; and
  - (c) in the event of any proceeding for the collection or enforcement of the Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, all costs and charges incurred by the Lender in case of any proceedings initiated under the Insolvency and Bankruptcy Code 2016, or of any exercise by the Lender of the rights under the Security Documents and/or the other Finance Documents, together with legal fees and court costs.

**Penal Charges shall mean the charges levied by the Lender as specified under clause 7 herein.**

**Person** shall mean an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, government or subdivision thereof.

**Prepayment Premium** shall mean, the prepayment charges payable i.e., partial pre-payment charges or pre-payment/foreclosure charges, by the Borrower to the Lender, as a proportion of the Facility amount proposed to be prepaid, as set out in the Sanction Letter.

**Property** shall mean the immovable property(ies) more particularly described under the Sanction Letter rentals/receivables of which are charged/hypothecated to the Lender for securing the Obligations.

**Purpose** shall mean the purpose for which the Facility has been sanctioned to the Borrower, as more specifically described under **CLAUSE 3** and the Sanction Letter, and/or as may be permitted by the Lender from time to time.

**RBI** shall mean the Reserve Bank of India.

**Repayment Date** shall mean the dates on which the Borrower/Co-Borrower shall repay the principal amount (along with Interest) of the Facility in form of Repayment Installments/EI to the Lender, as specified in the repayment schedule under **SCHEDULE 5** of this Agreement and as revised and communicated by the Lender from time to time, at its sole discretion.

**Rent Receivables** shall mean the present and future lease rentals, rent, fees, compensation, revenue share, maintenance charges, security deposits or any other monies, as applicable, by which ever name called (including liquidated damages or termination payments) which are or may become due to the Lessor under or pursuant to the Lease Agreement in respect of the Property.

**Repayment Installment** shall have the meaning given to such term in Clause 9.1 hereof.

**Sanction Letter** shall mean the letter bearing the reference number, as mentioned in **PART A OF SCHEDULE 4** of this Agreement, issued by the Lender thereby informing the Borrower about sanction of the Facility along with the relevant particulars, terms and conditions, as amended/supplemented/revised from time to time.

**Schedule of Penal Charges shall mean the schedule of Penal Charges outlined under Part C of Schedule 4.**

**Secured Assets** shall mean the moveable and/or immovable assets, along with the securities (to the extent applicable), over which charge has been created pursuant to the Finance Documents for securing the Obligations.

**Security** shall have the meaning given to such term in Clause 12.2 hereof.

**Security Documents** shall mean all documents entered into in relation to the creation of the Security Interest in terms of this Agreement, including any powers of attorney, or Guarantee Deeds and/or any other documents designated as such by the Lender, as amended from time to time.

**Security Interest** shall mean any mortgage, hypothecation, charge, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority, or other security agreement of any kind or nature whatsoever including, without limitation, any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing.

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**Security Provider** shall mean the Person(s) who have/will created/create Security Interest over its assets securing the Obligations in accordance with the Finance Documents and includes the Person(s) more particularly described under the Sanction Letter.

**Taxes** shall mean any and all present and future taxes, including without limitation, gross receipts, sales, turn-over, value added, use, consumption, property, income, franchise, capital, occupational, license, excise, and documentary stamps taxes, GST, service tax and customs and other duties, assessments, or fees, however imposed, withheld, levied, or assessed by any country or government subdivision thereof or any other taxing authority.

**TDS** shall mean tax deducted at source and more particularly defined under the Income Tax Act, 1961.

**Tenor of the Facility or Tenor or Tenure** shall mean the period as mentioned in the Sanction Letter.

**Tranche or Tranche Disbursement** means each disbursement disbursed by the Lender to the Borrower pursuant to the terms and conditions of this Agreement.

**Tripartite Letter** shall mean the letter executed/ to be executed among the Lender, Lessor and the Lessee, intimating the proposed borrowing of the Facility by the Borrower and requesting for depositing all the Rent Receivables as per the Lease Agreement in the escrow account opened/ to be opened for the purpose, for servicing of the Facility.

## 1.2 Principles of Construction

In this Agreement, unless the context otherwise requires:

- (a) Terms defined in this Agreement, by reference to any other agreement, document or instrument shall have the meanings assigned to them in such agreement, document or instrument;
- (b) A document or any other document is a reference to that document or other document as amended, replaced, novated or supplemented;
- (c) Any representation, warranty, covenant or undertaking qualified by the expression "to the best of the Borrower's/Obligors' knowledge, information and belief" or any similar expression shall, unless otherwise stated, be deemed to:
  - (i) refer to the actual knowledge or awareness that the relevant Persons had at the date of this Facility Agreement; and
  - (ii) in relation to any person who is not an individual shall mean the knowledge of such persons, directors, or persons having a place in the managing body of such persons and the knowledge that such persons would have had at the date of this Facility Agreement if they had made, due and careful enquiry.
- (d) reference to an "amendment" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to be construed accordingly;
- (e) a reference to "authorisation" means an authorisation, consent, clearance, approval, permission, resolution, license, exemption, no-objection, filing and registration;
- (f) a reference to "control" means the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (g) the provisions contained in the Schedule written in this Facility Agreement, shall have effect in the manner as if they were specifically set forth herein;
- (h) unless the context otherwise requires, the singular includes the plural and vice versa;
- (i) the words "hereof", "herein", and "hereto" and words of similar import when used with reference to a specific Clause in, or Schedule to, this Agreement shall refer to such Clause in, or Schedule to, this Agreement, and when used otherwise than in connection with specific Sections or Schedules, shall refer to the Agreement as a whole;
- (j) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;

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- (k) references to the word "includes" or "including" are to be construed without limitation;
- (l) references to the words "indebtedness" or "financial indebtedness" shall include any obligation (whether incurred as principal or surety) for the payment or repayment of money;
- (m) references to a person shall include such person's successors and permitted assignees or transferees;
- (n) reference to term "construction" shall mean and include extension, improvement, renovations, reconstruction, etc.
- (o) references to "Party" means a party to this Agreement and references to "Parties" shall be construed accordingly;
- (p) any determination with respect to the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise shall be made by the Lender, at its reasonable discretion;
- (q) any consent or waiver required to be provided by the Lender shall mean the prior written consent or waiver of the Lender;
- (r) where any action of the Lender is subject to "reasonability" under this Agreement or any other Finance Documents, such "reasonability" shall be determined by the Lender;
- (s) The terms and expressions in singular shall mean and include wherever it will be required, the plural connotation of the same;
- (t) The terms and expressions, nowhere defined shall where the interpretation and meaning have been assigned to them in terms of the General Clauses Act, 1897, have that interpretation and meaning;
- (u) To the extent of any inconsistency or repugnancy between the terms of the sanction Letter and the Facility Agreement, the terms of the Sanction Letter shall prevail to all intents and purposes. For avoidance of doubt, if a wider language is used in the Facility Agreement, in respect to a situation that is also reflected in the Sanction Letter, a harmonious interpretation shall be adopted between the Sanction Letter and this Facility Agreement; and
- (v) the rule of construction, if any, that a contract should be interpreted against the parties responsible for the drafting and preparation thereof, shall not apply.

## 2. TERMS OF THE FACILITY

- (a) The Lender hereby agrees to lend and the Borrower agrees to borrow, during the Availability Period, the Facility as specified in the Sanction Letter, for the Tenor of the Facility, in accordance with the terms of the Finance Documents.
- (b) The Obligors shall have no objection to the amount sanctioned and the amount disbursed/ limit provided to the Borrower, irrespective of the fact that the Borrower had applied for a Loan Amount of higher/ lower than what has been sanctioned to it and further the Lender shall be at liberty to decide the actual amount of the Facility and the amount to be actually disbursed (in certain cases the sanctioned amount may be higher than the actual disbursed amount) and in such an eventuality the sanctioned amount shall be the Loan Amount actually disbursed/ overdraft limit actually made available to the Borrower.
- (c) The Facility shall be disbursed to the Borrower in a single Disbursement or in Tranche from time to time, as the case may be, and each such Tranche shall be of such amount, and shall (subject to the other provisions of this Agreement) be disbursed at such time and in such manner and subject to such terms and conditions as the Lender may deem fit. Provided that the terms and conditions as applicable to each such Tranche may vary from the other Tranches.
- (d) In case the Facility is a dropline overdraft facility, for each month, the operating limit shall be applicable from the first date of the relevant calendar month ("**Limit Change Date**") till the last date of the same calendar month (both inclusive). The operating limit shall automatically stand reduced on each Limit Change Date by an amount equal to  $L/N$  where L is the sanctioned limit and N is the Tenure of the overdraft facility in months.

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- (e) The Facility may be reappraised on legal, technical and financial terms during the Tenor of the Facility. Upon such reappraisal, the Lender may hold, suspend, downsize, cancel and/or recall Disbursement under the Facility, at its sole discretion.
- (f) It is clarified that, notwithstanding anything contained in any Finance Documents, the Facility shall be availed by the Borrower only and no funds under the Facility shall be disbursed to the Co-Borrower, and all the outstanding amount of the Facility will stand recorded in the books and accounts of the Borrower. However, the Borrower and the Co-Borrower shall always be jointly and severally liable to the Lender, for all the obligations under the Financing Documents, including the liability to repay/pay the Obligations, including Interest, principal amount, Penal Charges, additional interests, etc. payable in accordance with the terms of the Finance Documents to the Lender.

### **3. PURPOSE**

The Borrower shall apply the proceeds of the Facility for such Purpose as specified in the Sanction Letter or as may be permitted by the Lender, in compliance with all Applicable Laws (including extant RBI guidelines). The Borrower shall not utilize the proceeds from the Facility for any purpose prohibited by RBI/FEMA/SEBI or any Applicable Laws. The Borrower hereby agrees that it shall forthwith submit to the Lender the End Use Declaration in the format specified in **Annexure 3** hereof whenever required by the Lender.

### **4. DISBURSEMENT**

The Borrower may utilise the Facility by delivery to the Lender of a duly completed disbursement request form on a date as may be agreed by the Lender in writing and more particularly request so made by the Borrower in the format as agreed by the Lender. In case, the Disbursement is made in Tranches, then the Borrower shall be entitled to make a request for initial Disbursement and balance/subsequent Disbursement of such amounts as prescribed in the Sanction Letter or as may be allowed by the Lender, at its sole discretion. The Lender may at its sole discretion disburse the Facility to the Loan Account of the Borrower.

In case of disbursement cheque is un-encashed/uncleared ageing 60 days and above from the date of disbursement/handover of the cheque, the same shall be considered for loan cancellation/part prepayment adjustment in your loan account with effect on EMI reduction post adjusting overdues, if any. In case of loan cancellation, the funded insurance cover shall also be deemed cancelled. Where such cancellation occurs after 30 (thirty) days from the date of issuance of the insurance policy, any refund of insurance premium shall be strictly on a pro-rata basis in accordance with the applicable terms of the insurer, and any shortfall, non-refundable portion, charges, or deductions arising therefrom shall be to the sole account of and recovered from the borrower. Further, in all cases of loan cancellation, the funded processing fees shall be non-refundable and shall be fully recovered from the borrower.

### **5. CONDITIONS PRECEDENT / SUBSEQUENT**

The Lender will not be obliged to disburse monies on the proposed Disbursement Date pursuant to the disbursement request of the Borrower unless the Lender is satisfied of the fulfilment of the applicable conditions precedent as listed hereof.

#### **5.1 Conditions Precedent to Disbursement**

- (a) The Obligors, in case a company incorporated under the Companies Act, 1956 or the Companies Act, 2013, or a limited liability partnership firm incorporated under the Limited Liability Partnership Act, 2008, or a partnership firm incorporated under the Indian Partnership Act, 1932, or a trust established under the Indian trust Act, 1882 or any other Applicable Law, or a society incorporated under Applicable

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Law, as the case may be, shall have submitted to the Lender, the following prior to initial Disbursement of the Facility:

- (i) Certified true copies of resolution of its board of directors/ committee/partners/trustees/members/ governing body, as the case may be, that may be applicable for borrowing/securing/guaranteeing the Facility along with all the specimen signatures of each person authorised by the above resolutions.
- (ii) Certified true copies of the Constitutional Documents duly updated to provide for the transaction contemplated hereunder and under the other Finance Documents including the creation of Security in terms of the Finance Documents, if required.
- (iii) Certified true copies of requisite shareholders resolution(s), applicable for borrowing and securing/guaranteeing the Facility, in case of Obligor being a company.
- (b) Letter from any existing lender(s) confirming outstanding amount and status of account in writing to Lender/Borrower in respect of the facility provided by such existing lender(s) to the Borrower on Mortgaged Property and confirming immediate release of such security assets in favor of Lender on receipt of its full repayment of its existing facility, if any.
- (c) The Obligors and their authorised signatories, as applicable, shall have satisfied all the KYC requirements as may be required by the Lender.
- (d) The Obligors shall have executed and created all the Security required to be created under the Sanction Letter.
- (e) The Obligors shall have also furnished to the Lender a certificate from a practicing-chartered accountant pertaining to section 281 of Income Tax Act, 1961 and section 81 of the Central Goods and Services Tax (CGST) Act, 2017 stating that there are no proceedings pending under the said Acts and hence consent of assessing officer/ proper officer, as the case may be, is not required for creating charge on assets of the Obligors in favor of the Lender or stating non-applicability of the said section.
- (f) All forms and filings necessary for the purpose of creating and perfecting the Security shall have been carried out.
- (g) The Borrower shall have furnished a certificate from the statutory auditor of respective Obligors or practicing chartered accountant, as applicable, certifying outstanding debt of each Obligor (including any guarantee provided by such Obligor) as of a recent date (not older than 1 (one) month).
- (h) The Lender shall have received a legal opinion on clear and marketable title of the Mortgaged Property, from an advocate approved by the Lender.
- (i) The Lender shall have received two valuation reports of the Mortgaged Property from the empaneled valuer(s) of the Lender.
- (j) The Borrower/Obligors, as the case may be, shall have obtained a comprehensive and composite insurance policy in respect of the Mortgaged Property and/or any other insurance policy as may be required by the Lender, at their own expense.
- (k) Declaration from the Borrower and Obligors, if the Borrower/Obligor is a company, stating that none of its subsidiaries are appearing in any Credit Bureau(s) defaulters list to be submitted on the date of execution of the Finance Documents.
- (l) Each Obligor (if a company or a limited liability partnership firm) shall have obtained a satisfactory report from a practicing company secretary for search conducted in the records of the concerned Registrar of Companies or any other authority, as may be applicable.
- (m) The Borrower shall furnish an undertaking that no event or circumstance shall have occurred or shall be likely to occur which has or is likely to have a Material Adverse Effect on the Borrower.
- (n) The Obligors shall have furnished an undertaking that representations and warranties of the Obligors shall be true and correct and no breach or default on the part of the Obligors are outstanding.
- (o) Certificate of a practicing company secretary confirming compliance of Section 185 and Section 186 of the Companies Act, 2013 by Obligors(s) for providing security/guarantee for securing Facility to be availed by the Borrower, if applicable.
- (p) Any other conditions that the Lender may in its judgment/discretion feel necessary.

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- (q) Such other pre-disbursement conditions as may be specified under the Sanction Letter. However, in the event of a conflict between the conditions contained in this Clause and the pre-disbursement conditions specified under the Sanction Letter, the conditions specified in the Sanction Letter shall prevail.

## 5.2 Conditions subsequent to Disbursement

- (a) The Borrower shall, if required by the Lender, submit an "End-use Certificate" from its Statutory Auditor/Chartered Accountant within a period of 30 days from the date of every Disbursement or final Disbursement, as specified under the Sanction Letter/ Disbursement schedule annexed hereto.
- (b) The Borrower shall perfect the Security within the timelines prescribed under this Agreement.
- (c) Legal opinion, if required by the Lender, on creation of security in favor of the Lender within such days of Security creation, as specified under the Sanction Letter.
- (d) Any other conditions that the Lender may in its judgment feel necessary.
- (e) Such other post-disbursement conditions as may be specified under the Sanction Letter. However, in the event of a conflict between the conditions contained in this Clause and the post-disbursement conditions specified under the Sanction Letter, the conditions specified in the Sanction Letter shall prevail.

## 6. INTEREST

- (a) The Lender shall charge to the Borrower interest on each Tranche of the Facility, overdue amounts, unpaid due interest the unpaid due interest and all other Obligations including outstanding charges, monies and Taxes at the rate of interest specified ("**Interest**") at the Applicable Interest Rate, as specified in the Sanction Letter, along with applicable taxes and any other fees as mentioned in this Agreement, which at the option of the Lender, may be payable upfront or periodically or at the time of Disbursement, in accordance with the terms of this Agreement and the Sanction Letter. The Interest shall be levied from the date of Disbursement of each Tranche under the Facility and shall be payable on each Interest Payment Date, until the Final Settlement Date.
- (b) The Borrower shall pay the Broken Period Interest upfront on the date of first Disbursement.
- (c) In case of change in risk weightage during the Tenor of the Facility, due to any external or internal factors, breach of covenants and/or any other terms and conditions, as stipulated herein, the Lender reserves the right to change the Applicable Interest Rate, at its sole discretion, effective prospectively and with prior written communication to the Borrower, and the decision of the Lender shall be final and binding on the Borrower.
- (d) The Lender reserves the right to alter the Interest Rate / spreads/ reference rate, at its sole discretion which would be intimated to the Borrower and would be binding upon the Borrower, including upon occurrence of any of the following:
- (i) RBI enhancing the standard / other provisioning requirements; or
  - (ii) downward revision in the credit rating/ profile of Borrower; or
  - (iii) occurrence of any Event of Default; or
  - (iv) changes in externally prevailing directives of regulatory authorities; or
  - (v) increase in short term money market rates.
- (e) The Interest shall be subject to change every time the applicable AFL Interest Rate is reset by the Lender. The Borrower agrees that the Lender shall have the discretion of changing the applicable AFL Interest Rate and reset frequency, at its discretion. The applicable AFL Interest Rate shall also be available on the official website of the Lender. The Borrower agrees that publishing of any such change/reset or applicable AFL Interest Rate or spread or Interest on the website of the Lender, by itself shall amount to due and adequate and appropriate communication, notice and intimation thereof by the Lender to the Borrower. The Borrower shall keep itself informed of such reset from time to time. Without limiting the Borrower's

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obligation as above, the Lender may communicate such change/reset of Interest, AFL Interest Rate and reset frequency to the Borrower through other means of communication.

- (f) It is hereby clarified that any changes or revisions in Applicable Interest Rate and any changes in any charges shall come into effect prospectively.
- (g) All interest accruing on outstanding Obligations under the Facility shall accrue from day to day and be calculated on the basis of the actual number of days elapsed in a year of three hundred and sixty five (365) days or such other days in a year that is customary for any other year. The Lender shall in its sole discretion modify the basis of the year and the periodicity of the interest.
- (h) Further, upon the request of the Borrower and subject to payment of applicable fees/ charges by the Borrower and as permitted under Applicable Law, the Lender may at its sole discretion, accede to such request of the Borrower and change the Interest rate mechanism from fixed to floating or vice versa, only once during the Tenor of the Facility.
- (i) The Borrower shall also pay and bear all Interest Tax, if any, as applicable from time to time.

## **7. PENAL CHARGES**

- (a) **Without prejudice to the obligations of the Borrower under this Agreement and the other Financing Documents, the Borrower shall pay Penal Charges in terms of Part C of Schedule 4 (Schedule of Penal Charges) or as may be communicated by the Lender to the Borrower upon the failure by the Borrower to pay any Obligations or on any other amounts outstanding under the Finance Documents or upon the failure by the Borrower to comply with other Material Terms specified in this Agreement ("Penal Charges"). The Lender shall upon occurrence of such default / breach intimate the Borrower in writing regarding such default / breach along with the quantum and reason of the Penal Charges levied in that regard. The Schedule of Penal Charges shall also be displayed on the website of the Lender. The Penal Charges shall be calculated from the date on which the default / breach has occurred till such default/breach is cured to the satisfaction of the Lender. It is clarified that additional Penal Charges shall not be levied on the earlier outstanding amount of Penal Charges if such charges are not paid. Furthermore, no interest will be charged on the outstanding amount of Penal Charges if such charges remain unpaid. For clarity, in case of any default by the Borrower in payment of any amounts in full on the Due Date(s) under the Facility Agreement to the Lender, the Borrower shall be liable to pay Penal Charges on the overdue amounts as mentioned in the Schedule, which shall be calculated from the Due Date till full payment is made by the Borrower to the Lender, to the Lender's satisfaction. Provided however that, in the event the Facility is an Overdraft Limit, the Lender may provide the Borrower with a grace period for repayment of the amounts due under the Facility pursuant to the Due Date, of such duration as the Lender may deem fit ("Grace Period") during which Grace Period the Lender may not levy Penal Charges on the Borrower and if the said repayment is not made by the Borrower to the Lender within such Grace Period, then the Penal Charges shall be payable by the Borrower from the Due Date.**
- (b) **Provided however, such Penal Charges under this Agreement shall not prevent the Lender from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Lender upon the occurrence of an Event of Default.**
- (c) **The Borrower acknowledges that the rate of Penal Charges is reasonable and that it represents genuine pre-estimates of the loss expected to be incurred by the Lender in the event of non-payment of any monies by the Borrower.**

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(d) **The Penal Charges excludes interest tax, GST, any other Taxes, if any, payable on the said charges whether applicable now or in future, and other statutory dues, all of which the Borrower agrees to bear and pay contractually, solely and entirely, in addition to the Penal Charges. Without prejudice to the above, if the Lender is required to make any payment on account of any Taxes in relation to any sum received or receivable by it hereunder or any liability in respect of such payment is imposed, levied or assessed against the Lender, the Borrower shall, upon demand of the Lender, promptly reimburse the Lender such payment or liability, interest, penalties and expenses, if any payable in connection therewith.**

## **8. PROCESSING CHARGES**

The Borrower shall pay to the Lender non-refundable and non-adjustable Processing Charges as specified in the Sanction Letter of this Agreement before the first Disbursement of the Facility.

## **9. REPAYMENT**

### **9.1. Repayment of the Facility**

- (a) The Borrower and the Co-Borrower shall repay the Facility availed by the Borrower and shall pay the interest that is due, from time to time, to the Lender by way of (i) Equated Instalment or (ii) monthly instalments/ quarterly installments/ structured installments/ bullet repayment ("**Repayment Installment(s)**") (as more particularly described in the Sanction Letter and **SCHEDULE 5** of this Agreement) commencing after the principal moratorium period (as specified under the Sanction Letter), on such dates as prescribed under the repayment schedule in **SCHEDULE 5** of this Agreement, as revised and communicated by the Lender from time to time ("**Repayment Date**").
- (b) The Facility (including the principal outstanding) and the Interest thereon and any other charges, premium, fees, taxes levies, other dues and any other Obligations payable by the Borrower/Co-Borrower to the Lender in terms of this Facility Agreement) be repayable or payable by the Borrower to the Lender -
- (i) at the Lender's place or at any other place as may be notified by the Lender;
  - (ii) by way of EI or Repayment Installment as specified under the Sanction Letter and **SCHEDULE 5** of this Agreement, towards repayment of principal and payment of Interest; or
  - (iii) by separate repayments in case where (a) the Facility is proposed to be paid before the commencement of EI or Repayment Installment or (b) towards payment of Interest before the commencement of the repayment of principal component of the Facility or (c) towards repayment of Penal Charges, fees, charges, taxes, claims, costs and expenses charged to the Loan or (d) the Facility is recalled/ demanded earlier by the Lender.
- (c) In case the Facility is a term loan, the Repayment Installment shall be arrived at so as to comprise repayment of principal and payment of Interest calculated on the basis of the Interest Rate, periodicity of repayment of the entire liability under the Facility at the end of its Tenor.
- (d) In case the Facility is an overdraft limit, the Repayment Installment for repayment of Interest shall be calculated on the basis of the Interest Rate and periodicity of repayment thereof. Separately, the Borrower shall repay the entire principal outstanding and the other Obligations at the end of Tenure of the Facility or when demanded by the Lender, whichever is earlier. In case the Facility is a dropline overdraft facility, the Borrower shall also be required to repay to the Lender, on each Limit Change Date, such amounts which are in excess of the Operating Limit applicable for that month.
- (e) Notwithstanding anything to the contrary contained in the Facility Agreement or any of the Finance Documents, the continuation of the Facility shall be at sole and absolute discretion of the Lender and the Facility is repayable unconditionally on demand at AFL's absolute discretion. AFL shall provide a written notice of 3 (three) days to the Borrower(s) to repay the total amount due and the Borrower shall upon such demand repay the entire outstanding Obligations to the Lender without deductions, withholding, set-off, counter-claim, any delay, protest or demur.

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- (f) The Borrower shall continue paying Repayment Installment(s) until all amounts due under the Facility have been repaid in full to the Lender. *Provided*, however, the Repayment Installment may be changed on the occurrence of any of the following: (i) upon Borrower's request, subject to approval from the competent authority; (ii) in case of floating rate and (iii) such events when the Lender may deem necessary, at its sole discretion.
- (g) No notice, reminder or intimation will be given to the Borrower or the Co-Borrower regarding his/their/its obligation to pay/re-pay the Repayment Installment regularly on each Due Date. It shall entirely be his/their/its responsibility to ensure prompt and timely payment to the Lender. Any delay or default in payment of any Repayment Installment shall make the Borrower and the Co-Borrower liable to pay to the Lender, Penal Charges (for the period of such default) besides constituting an Event of Default thereby making all sums under the Facility Agreement due and payable to the Lender forthwith.
- (h) Any amount repaid under the term loan part of Facility cannot be re-borrowed, however the overdraft and/or the dropline overdraft part of the Facility shall be on a revolving basis in accordance with the terms of the Sanction Letter.

## 9.2. Appropriation of the Facility

All amounts due and payable under the Finance Documents and made available by the Borrower/Co-Borrower or otherwise, shall be appropriated in the following order, unless otherwise agreed by the Lender:

- (i) Overdues;
- (ii) Costs, charges, expenses, incidental charges and other monies that may have been expended by the Lender in connection with recovery;
- (iii) Penal Charges and/or such additional interest and/or liquidated damages on defaulted amounts;
- (iv) Prepayment Premium, commitment charges and fees, to the extent applicable;
- (v) Repayment Installment; and
- (vi) Principal amount of Loan.

## 9.3. Liability of Borrower and Co-Borrower

Notwithstanding anything contained in any Finance Documents, in case the Facility is provided to more than one Borrower, the liability of the Borrower to repay the Facility together with Interest and all other amounts due to be payable under the Finance Documents and/or any other documents executed between, *inter alios*, the Borrower and the Lender, shall be joint and several.

Notwithstanding anything contained in any Finance Documents, in case more than one Co-Borrower is party to this Agreement, all the liability and obligations of the Co-Borrower to repay the Facility together with Interest and all other amounts due to be payable under the Finance Documents and/or any other documents executed between, *inter alios*, the Borrower, the Co-Borrower and the Lender, shall be joint and several.

## 9.4. Cross Liability/ Default

Notwithstanding anything to the contrary contained in any agreement(s), the Obligors expressly accept and agree that on the occurrence of any breach/ default/ event of default under any such agreements between the (a) the Borrower/Obligors and/or any group entity/associate company of the Borrower/Obligors and (b) Lender and/or any other Affiliates of the Lender, then such breach/ default/ event of default under such agreement/document shall also be an event of default under the Finance Documents, and the Lender and/or any of the Affiliates of the Lender (as applicable) shall, without prejudice to any rights or remedies available to them, be entitled to exercise all rights under such agreements, at their sole discretion.

## 10. PREPAYMENT

### (a) Prepayment of Facility

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The Borrower shall be entitled to prepay the Facility, in part or in full, during the Tenor of the Facility by paying a Prepayment Premium, strictly in accordance with the terms and conditions as provided under the Sanction Letter, respectively, for part pre-payment and full foreclosure of the Loan. Provided, however, no prepayment penalty shall be applicable on prepayment made pursuant to mandatory prepayment provisions, as may be prescribed by the Lender.

**(b) Restrictions**

Any notice of prepayment given by any Party under this Clause 10 shall be irrevocable and unless a contrary indication appears in this Agreement, shall specify the date upon which the relevant prepayment is to be made and the amount of that prepayment.

**11. MODE OF PAYMENT**

- (a) The Borrower and the Co-Borrower shall deliver post-dated cheque/s and/or signed mandates for electronic transfers ("**ECS Mandate**") and/or signed National Automated Clearing House (NACH) Debit Mandate ("**NACH Mandate**") and/or signed mandate for Direct Debit ("**Direct Debit Mandate**"), in a form prescribed by the Lender, to the Lender for the due repayment of the Facility. Such cheque/s and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate shall be deemed to have been given for adequate consideration already received by the Borrower/Co-Borrower and shall not absolve the Borrower/Co-Borrower from his/their/its liability to pay the outstanding Facility hereunder until the cheque/s is/are duly realized and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate is duly acted upon. It is expressly agreed and understood that the Borrower and/or Co-Borrower shall maintain adequate balance for realization of the cheques and/or ECS Mandates and/or NACH Mandate and/or Direct Debit Mandate on their due dates for payment and shall at no time close the bank account/s in relation to which such ECS Mandates and/or NACH Mandate and/or cheques and/or Direct Debit Mandate have been issued or issue any communication to Lender for stopping or postponing the presentment of the said cheques and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate and the Lender is not bound to take notice of any such communication and which, if issued, will be regarded as a dishonor of the cheques drawn and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate given. Provided however that the Lender shall have an unconditional right, any time during the Tenor of the Facility, to call upon the Borrower/Co-Borrower for submission of fresh cheques and/or ECS Mandates and/or NACH Mandate and/or Direct Debit Mandate if in the opinion of the Lender such fresh cheques and/or ECS Mandates and/or NACH Mandate and/or Direct Debit Mandate are necessary for payment of Interest and/or repayment of the Facility.
- (b) The Borrower and the Co-Borrower expressly agree that if any other amount is outstanding for payment by the Borrower or any other Obligor (not being the Facility or Interest thereon) including on account of the amounts disbursed under any other loans or advances or on account of other indebtedness of the Borrower or any other Obligor, the Lender shall be entitled to en-cash the post-dated cheques deposited with it and/or invoke the relevant ECS Mandates and/or NACH Mandate and/or Direct Debit Mandate for the satisfaction of such outstanding amounts thereunder notwithstanding that the post-dated cheques have been deposited and/or ECS Mandates and/or NACH Mandate and/or Direct Debit Mandate provided, for repayment of the Facility and Interest thereon and the Borrower and the Co-Borrower shall continue to be indebted to the Lender for the Facility or Interest, as the case may be.
- (c) All cheques shall be drawn and/or ECS Mandates and/or NACH Mandate and/or Direct Debit Mandate shall be issued in favor of the Lender and the amount due on the cheque and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate shall be deemed to have been received on realization of the cheque and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate.

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- (d) Dishonor / non-realization of the said cheque or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate shall render the Borrower/Co-Borrower (as the case may be) and the signatories of the cheque and/or ECS Mandate and/or NACH Mandate and/or Direct Debit Mandate to an action under Section 138 of the Negotiable Instruments Act, 1881 and/or Section 25 of Payment and Settlement Systems Act, 2007 in addition to any other action legal action / remedies available under the other laws. The Borrower/Co-Borrower signatories shall not be entitled to plead that the said cheque or ECS Mandate or NACH Mandate or Direct Debit Mandate was not validly issued.

## **12. SECURITY AND CONTRACTUAL COMFORTS**

**12.1** The payment/repayment of the Obligations to the Lender shall be secured in such manner as specified in the Sanction Letter.

**12.2** The Obligors agree and undertake that it shall create and perfect or cause to be created and perfected the security as specified in the Sanction Letter ("**Security**"), in such form and manner as may be required by the Lender, having such ranking as specified in the Sanction Letter.

### **12.3 Demand Promissory Note**

The Obligors shall execute a demand promissory note (DPN) in favour of the Lender for the Facility and Interest thereon along with a letter of continuity (LOC) for the same amount, duly signed and delivered to the Lender as security for payment/repayment of the Obligations. The Obligors shall also forthwith execute and deliver such documents from time to time, to ensure that the DPN and LOC remains valid and subsisting.

### **12.4 Contractual Comfort**

The Facility together with all interest, costs, charges or expenses, shall be secured by certain contractual comfort in addition to the above-mentioned Security, such as guarantee from the Guarantors, as the case maybe, if required by the Lender.

### **12.5 Time frame for creation of Security**

The Security mentioned in Clause 12.2 above, shall be created and perfected within such time as specified under the Sanction Letter or within such period as may be permitted by the Lender in writing.

### **12.6 Marketable title**

The Obligors shall make out a good and marketable title to their Secured Assets to be secured in favour of the Lender to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose.

### **12.7 Permissions**

The Obligors shall obtain all necessary Clearances for the creation, perfection and maintenance of the Security required to be created in terms of the Finance Documents, as and when required, and ensure that all such Clearances are, at all times, in full force and effect.

### **12.8 Costs**

The Borrower/Obligors shall pay on demand to the Lender, the actual cost incurred by any solicitors/advocates/company secretaries used by the Lender in connection with the documentation, creation and perfection of the Security, compilation of search /status reports or other similar matters.

### **12.9 Asset Cover**

The Obligors shall ensure that minimum security cover as mentioned in the Sanction Letter ("**Asset Cover**" or "**Security Cover**" or "**LTV Ratio**") is maintained at all times until the Final Settlement Date. Further, the Borrower and Co-Borrower hereby agree and undertake that if the Asset Cover falls below the stipulated levels, the Borrower and/or the Co-Borrower shall either prepay the proportionate Facility amount immediately to the extent of such shortfall or top-up the Security by way of cash margin or additional security acceptable to the Lender within **30 (thirty) days** from such breach.

### **12.10 Continuing Security**

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All the Security and guarantee furnished by the Borrower and/or other Obligors, pursuant to the Facility, shall be deemed to be continuing security and shall not be discharged until the Final Settlement Date.

### **13. REPRESENTATIONS AND WARRANTIES**

The Obligors, as applicable, makes the representations and warranties listed in **SCHEDULE 1** of this Agreement. In addition, each of the representations and warranties made by the Borrower and the Obligors, (other than the representations and warranties expressed to be made as of a specified date) shall be deemed to be repeated on each day starting from the date of this Facility Agreement till the Final Settlement Date. These representations and warranties shall survive the execution of this Facility Agreement and the making of a Disbursement under the Finance Documents till the Final Settlement Date.

### **14. LENDER'S RIGHTS**

The Lender shall, in relation to the Facility:

- (a) have the sole right at any time during the Tenor of the Facility to revise/reschedule the repayment terms/ amount of Repayment Installment or of any other amounts outstanding thereunder and the Borrower/Co-Borrower shall make all future repayments to the Lender according to such revised schedule on being notified by the Lender of such revision or re-schedulement;
- (b) have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in relation to the Secured Assets and on the life of the Borrower towards amounts due and/or payable by the Borrower under this Facility Agreement;
- (c) have the sole right to amend any of the terms and conditions of this Facility Agreement including but not limited to revision of Applicable Interest Rate (including the Penal Charges), periodicity of compounding interest, method of effecting credit of the repayments without assigning any reason or notifying the Borrower and the Borrower agrees that such revision shall become applicable from the date of such revision in the records of the Lender;
- (d) have an unconditional right to cancel the undrawn / unavailed/ unused portion of the Facility at any time during the subsistence of the Facility, without any further notice to the Borrower, for any reason whatsoever (either regulatory or other reasons). In the event of any such cancellation, all the provisions of this Facility Agreement, the Finance Documents and all other related documents shall continue to be effective and valid and the Borrower and the Co-Borrower shall repay the outstanding dues under the Facility duly and punctually as provided in this Facility Agreement and the Finance Documents;
- (e) have the right to enter the property, inspect and supervise it and also inspect books of accounts and other records maintained by the Obligors.
- (f) have a right, at Borrower's cost, to insure the Mortgaged Property or take any measure for the upkeep and preservation of the Mortgaged Property;
- (g) have the right to create a charge or Security Interest over the Secured Assets as security in its own favour or in favour of any third party;
- (h) have the right to obtain refinance against the Facility as it may consider appropriate;
- (i) be entitled to disclose any information about the Borrower and the Obligors, his/their account relationship with the Lender and/or any default committed by him/them (whether such information is provided by the Borrower/Obligor or obtained by the Lender itself and whether in form of repayment conduct, rating or defaults, affiliated entities, Reserve Bank of India, any refinancing agency, credit rating agency and such third parties as the Lender may in its sole and exclusive discretion, deem fit and proper. The Lender shall also be entitled to seek and receive any information as it deems fit in connection with the Facility and/or the Borrower/Obligors from any third party;
- (j) in the event of any merger/restructuring /amalgamation /spin off in any of the Obligors, the Lender

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shall have the right to get a legal expert to verify the enforceability of Financing Documents and Security, in the event of any merger/restructuring /amalgamation /spin off in any of the Obligors, and if required undertake drafting of any amendment documents to ensure the validity and enforceability of Security. All such expenses incurred in this regard will be payable by Borrower; and

- (k) be entitled to require the Borrower/Co-Borrower/Guarantor, in the event of the Borrower/Co-Borrower/Guarantor, if an individual, opting to resign or retire from the employment prior to the age of superannuation or is discharged or removed from service before such date for any reason whatsoever, to instruct his employer to remit the entire dues (including provident fund, gratuity and compensation) becoming payable to the Borrower/Co-Borrower/Guarantor from his employer on account of his such cessation of employment and to receive and appropriate the same towards the Borrower's liability under the Loan.

## 15. LENDER'S RIGHT TO AUDIT

The Borrower agrees and acknowledges that the Lender shall have the right to conduct an audit through internal or external auditors, of the Borrower's accounts and activities at any time, at the discretion of the Lender. The Borrower shall fully cooperate with such audit and provide all necessary documents and information as requested by the Lender or the appointed auditors. In cases where the audit report remains inconclusive or is delayed due to non-cooperation by the Borrower, the Lender shall conclude on the status of the account as a fraud or otherwise based on the material available on their record and their own internal investigation/assessment. All costs and expenses related to such audits shall be borne by the Borrower. This clause is in compliance with the RBI Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs), including Housing Finance Companies RBI/DOS/2024-25/120, DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 dated July 15, 2024.

## 16. COVENANTS AND UNDERTAKINGS

- (a) The Obligors covenant and unconditionally and irrevocably undertake that, till the Final Settlement Date, each Obligor will comply with the obligations as set out under this Agreement (including the Schedules) and under the other Finance Documents. Without prejudice to the aforesaid, the Obligors covenant and unconditionally and irrevocably undertake all of the covenants as set out in **SCHEDULE 3** hereof.
- (b) That the Obligors shall comply with the Applicable Law in all respects and shall enter into necessary amendments (if any) for the purpose of effectuating change in the Applicable Law within the timeline prescribed by the Lender in this regard.
- (c) If the change in Applicable Law as mentioned in sub-clause (b) above results in a requirement for execution of new set of financing documents, the Finance Documents will govern the workings of the transaction till such time as such new financing documents have been executed, post which the new set of transaction documents will be the Finance Documents between Parties for the purpose of the Facility.

## 17. EVENTS OF DEFAULT

The Lender shall be entitled to treat any of the default(s), event(s) and/or breach(es) as mentioned in **SCHEDULE 2** hereof as an event of default (each an "Event of Default").

Upon the occurrence of an Event of Default, the Borrower and the Co-Borrower shall, either on its own or on being directed by the Lender, remedy the default within such days from the date on which the default first occurred as may be advised/instructed by the Lender, if the default is capable of remedy, which determination the Lender shall make at its sole discretion. Provided that no such cure period shall be available for an Event of Default arising due to delay in making any payments of

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Interest, Repayment Installments/EI or other monies payable on their respective Due Dates as per the terms of the Finance Documents.

## 18. EXPENSES

The Borrower and the Co-Borrower shall, whether or not the transactions herein contemplated are consummated, pay all out-of-pocket costs and reasonable expenses (including all Taxes (including stamp duties)), fees and disbursements of a legal counsel, duties, fees or other charges payable to the Lender) in connection with (i) the preparation, notarisation, execution, issue and delivery and, where appropriate, registration, or for the legality, validity, enforceability, of this Agreement, other Finance Documents and any other documents and instruments related hereto or thereto (including legal opinions); (ii) any amendment or modification to the Finance Documents or any such other document or instrument related hereto or thereto; (iii) the registration (where appropriate) and the delivery of the evidences of indebtedness relating to the Facility, and the Disbursements thereof; and (iv) the enforcement of this Agreement, other Finance Documents and any other documents and instruments referred to herein and therein.

## 19. INDEMNITY

**19.1** The Borrower and the Obligors shall indemnify and shall keep indemnified, the Lender and its nominee(s) or any of them (each an "**Indemnified Party**") against any and all losses, liabilities, obligations, damages, actions, proceedings, and judgments (including without limitation reasonable legal and other fees on an indemnity basis) incurred by any Indemnified Party, as a result of, or arising out of, or in any way related to, or by reason of, litigation or other proceeding (whether or not the Lender is a party thereto) related to (i) the entering into and/or performance of any Finance Document, (ii) the Disbursement of, and/or use of the proceeds of the Facility and/or (iii) material non-performance or non-observance or inaccuracy of any of the respective undertakings, covenants, representations and warranties and agreements on the part of the Borrower/Obligors herein contained or under any other Finance Document. All sums necessary to effect the indemnity contained under this Clause shall form part of the Obligations pursuant to the Facility and shall be secured by the Finance Documents.

### 19.2 Email Indemnity

Notwithstanding anything contained herein or elsewhere, the Lender shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any e-mail and may in its sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at Obligors' risk and the Lender shall not be liable for the consequences of any such refusal or omission to act or deferment of action.

The Obligors hereby agree and undertake that in the event the Obligors send email instructions to the Lender, the same will be only from the email address(es) as specified herein below:

1. [\*]
2. [\*]
3. [\*]

(hereinafter referred to as the "**Authorized Officers**")

The Obligors understand that the internet or email or any other electronic mode of instructions is not encrypted and is not a secure means of transmission. The Obligors acknowledge and accept that such an unsecured transmission method involves the risks of possible unauthorized alteration of data and/or unauthorized usage thereof for whatever purposes. The Obligors further confirm that the Obligors are

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aware of the risks involved in sending e-mail instructions, including the risk that e-mail instructions may:

- (a) be fraudulently or mistakenly written, altered or sent; and not be received in whole or in part by the intended recipient; and
- (b) the Obligors' request to the Lender to accept and act on e-mail instructions is for Obligors' convenience and benefit only.

The Obligors agree that the Lender shall not be responsible from any and all such misuse and receipt of information, and holds the Lender harmless for any costs, liabilities, damages, judgments, expenses, or losses that it may suffer or incur due to any errors, delays or problems in transmission or otherwise caused by using the internet, email or any other electronic mode as a means of transmission.

The Obligors hereby request and authorize the Lender to, from time to time (at the Lender's discretion), rely upon and act or omit to act in accordance with any directions, instructions, requests and/or other communication which may from time to time be or purport to be given in connection with or in relation to the Financing Documents or any instruction by the email ids of the Authorized Officers as provided herein above.

The Obligors understand that the Lender may undertake relevant actions/steps as maybe requested from the Authorized Officers whose email ids have been provided herein above. The Obligors hereby agree and undertake to indemnify the Lender from all costs, liabilities, damages, judgments, expenses, or losses suffered by the Lender upon initiating and/or acting upon the instructions or requests received from the email ids of the Authorized Officers as provided herein above.

## **20. CANCELLATION**

The Lender reserves the absolute right to cancel the limits and recall the outstanding Facility (either fully or partially) unconditionally without prior notice

- (i) In case the limits/ part of the limits are not utilized, and/ or
- (ii) In case of deterioration in the loan accounts in any manners, whatsoever, and/ or
- (iii) In case of non-compliance of terms and conditions of this Agreement and any other Finance Documents.

The Borrower and the Obligors further unconditionally agree, undertake and acknowledge that the Lender has an unconditional right to cancel the outstanding undrawn commitments under the Agreement and withhold disbursement at any time during the currency of the Facility and that the Lender shall endeavor to provide prior intimation of the same to the Borrower;

The Borrower and the Obligors unconditionally agree, undertake and acknowledge that the Lender shall have the right to unconditionally cancel its outstanding un-drawn commitment in the event of deterioration in the Borrower's creditworthiness. For the purpose of above clauses, deterioration in the Borrower's creditworthiness shall include without limitation:

- (i) Inclusion of the Borrower and/ or any of the executive directors in Reserve Bank of India's willful defaulter lists;
- (ii) Failure of the Borrower and/or the other Obligors to comply with the terms and condition of the Finance Documents.

## **21. TAX GROSS UP AND SET OFF**

- (a) All payments to be made by the Borrower or any other Obligor to the Lender under the Finance Documents shall be grossed up, and shall be made free and clear of and without deduction for or on account of Taxes unless the Borrower is required to make such a payment subject to the deduction or withholding of taxes in accordance with Applicable Law, provided that the Borrower or any other

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Obligor, as the case may be, delivers to the Lender tax withholding or tax deduction certificates in respect of such withholding or deduction within 30 (thirty) days of such withholding and/or deduction evidencing that the amounts deducted and/or withheld have been paid and/or deposited with the relevant Governmental Authority.

- (b) All payments made to the Lender under the Finance Documents, by the Borrower and/or any other Person, shall be made without set-off, counterclaim.
- (c) In case of any default in deposit of tax deducted at source on the income of the Lender with the Income Tax Authorities, gross interest would be paid by Borrower/Obligors till maturity of the Facility without any deduction. The excess amount, if any, may be refunded to the Borrower/Obligor upon reflection of the tax deducted at source in Lender's 26-AS with Income Tax Authorities, provided no Event of Default(s) is subsisting.

## **22. PAYMENT OF MONIES DUE**

Except as otherwise expressly provided herein or any Finance Document, if any payment obligation of any party under the Finance Documents is to be performed on a day which is not a Business Day, the said payment shall be made on the immediately preceding Business Day.

## **23. NOTICES**

- (a) Except as otherwise expressly provided herein or in any Finance Document, all notices and other communications provided for hereunder or thereunder shall be (i) in writing (including telex and telecopier, except as noted below); and (ii) telexed, faxed, telecopied or sent by a Person, overnight courier (if for inland delivery) or international courier (if for overseas delivery) or by registered post or (iii) by electronic mail or (iv) through instant messaging services like WhatsApp or Telegram to a party hereto at its address/ email address and contact number specified in **PART A OF SCHEDULE 4** of this Agreement, or at such other address and contact number as is designated by such party in a written notice to the other parties hereto.
- (b) All such notices and communications shall be effective (i) if sent by telex, when sent (with the correct answerback); (ii) if sent by telecopier or fax, when sent (on receipt of a confirmation to the correct telecopier or fax number); (iii) if sent by Person, when delivered; (iv) if sent by courier, (a) 1 (one) Business Day after deposit with an overnight courier if for inland delivery; and (b) 5 (five) Business Days after deposit with an international courier if for overseas delivery, (v) if sent by registered letter when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not; (vi) if sent by email, upon successful transmission of such email (i.e. if it does not bounce back) and (vii) if sent through instant messaging services line WhatsApp or Telegram, upon successful delivery of such instant message. Provided any notice from the Obligors to the Lender shall be binding only when actually received by the Lender at the address as is required as per this Agreement and/or the other Finance Documents.

The Obligors shall inform the Lender forthwith as regards any change in his address for service of notice.

## **24. LIEN/SET-OFF**

The Lender and its Affiliates shall in addition to any general lien or similar right, if any (to which any of them may be entitled by law, practice, custom or otherwise), have a specific and special lien on all the Borrower's and the Borrower Affiliates', present and future deposits, stocks, shares, securities, property, assets, security interest, book debts, all moneys in all accounts whether current or other deposits, loan accounts, held with or under control of or deposited with the Lender and/or its Affiliates. Separately, each of the Lender and its Affiliates shall have the specific and express right, without notice to and without consent of the Borrower or its Affiliates, to set-off, transfer, sell, realize, adjust, appropriate all such amounts in all such accounts and deposits (whether prematurely or upon maturity as per the Lender's discretion), securities, amounts, property, etc. as aforesaid (including benefits and accruals thereon), for the purpose of realizing or against any of dues or monies/liabilities outstanding in respect of any of the

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its Obligations and set-off any such monies and/or assets, securities, amounts, property, etc. as aforesaid including upon occurrence of any Event of Default.

## **25. NO WAIVER; REMEDIES CUMULATIVE**

No failure or delay on the part of the Lender in exercising any right, power or privilege hereunder or under any other Finance Document and no course of dealing between the Borrower/any Obligor, on the one hand, and the Lender, on the other hand, shall impair any such right, power or privilege or operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Finance Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein or in any other Finance Document expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Lender would otherwise have. No notice to or demand on the Borrower/any Obligor in any case shall entitle the Borrower/such Obligor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Lender to any other or further action in any circumstances without notice or demand.

## **26. SYNDICATION**

The Parties agree that this Facility is a syndicated facility and the Lender shall have the right, but not an obligation, to syndicate the Facility. The terms and conditions to such syndication shall be finalised by the Lender upon the successful syndication of the Facility. Further, the Borrower and the Obligors agree that they shall provide all assistance (including execution of agreements, documents, amendments etc.) to the Lender, as may be required, for the syndication of this Facility.

## **27. ASSIGNMENT AND TRANSFER**

(a) If a new lender wishes to novate all or any of its rights, benefits and obligations hereunder and the other Financing Documents then such novation shall be made by delivering to the Lender a duly completed, stamped and executed novation deed substantially in the form set out in Schedule 6 (the "**Novation Deed**"). If the Lender wishes to transfer or assign all or any of its rights and benefits hereunder and the other Financing Documents then such transfer or assignment shall be made by delivering to the assignee lender a duly completed, stamped and executed assignment deed substantially in the form set out in Schedule 7 (the "**Assignment Deed**"). On execution and delivery of such a deed by the transferring Lender and subject to the terms of that Novation Deed/Assignment Deed:

- (i) to the extent that in that Novation Deed the Lender seeks to novate its Loan Obligation and/or its commitment under the Facility or in the Assignment Deed the Lender seeks to assign its Loan, the Borrower and the transferring Lender, shall each be released from further obligations to each other and their respective rights against each other shall be cancelled (such rights and obligations being referred to as "**Discharged Rights and Obligations**"); and
- (ii) the Borrower and the relevant bank/ or financial institution to which such interest is being novated/assigned/transferred (the "**New Lender**") shall each assume new obligations towards each other and/ or acquire new rights against each other which differ from the Discharged Rights and Obligations only insofar as the Borrower and that New Lender have assumed and acquired the same in place of the Borrower and the transferring Lender, as the case may be.

(b) The New Lender and the other parties to this Agreement and the other Financing Documents (other than the Borrower) shall acquire the same rights and assume the same obligations between themselves as regards the Borrower as they would have acquired and assumed had that New

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Lender been an original Party to this Agreement and the other Financing Documents as a Lender with the rights and/ or obligations acquired or assumed by it as a result of that novation/ assignment/ transfer (and, to that extent, the original Lenders and those other parties shall each be released from further obligations to each other).

- (c) The Borrower further agrees that notwithstanding anything to the contrary contained in any document executed under/in relation to the Facility, the Lender may, at any time at its sole and absolute discretion, without any prior approval or intimation to any of the Obligors, enter into any kind of credit risk participation for whole or part of the Facility with any other bank or financial institution or any other entity by way of participation.
- (d) In addition to the forgoing, in the event Borrower wishes to have another bank / financial institution participate in the Facility, then the Borrower shall make the request to the Lender substantially in a format set out in Schedule 8 of this Agreement. Upon the receipt of the request letter from the Borrower, the Lender shall, in its sole discretion, accept / reject the request of the Borrower. In the event the Lender choose to accept the request of the Borrower then the assignment / transfer of the Facility (or any part thereof) shall follow the process set out in this Clause 25.
- (e) The Borrower shall not be entitled to, either directly or indirectly, assign, transfer or novate its rights or obligations under this Agreement, in part or in whole, to any other person.
- (f) The Borrower hereby gives the Lender upfront consent to securitise, sell, assign or transfer all or any part of the Lender's rights and/or obligations under the Facility, the Facility Agreement and/or the Finance Documents to any person(s) and in such manner and on such terms as the Lender may decide, at any time in future. Any such sale, assignment, securitization or transfer shall conclusively bind the Borrower. The Borrower shall not be entitled to directly or indirectly assign or in any manner transfer, whether in whole or part, any rights, benefits or obligations under or in relation to the Facility, the Facility Agreement, the Finance Documents or any part thereof.

## **28. SEVERABILITY**

Any provision of any Finance Document which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that shall not invalidate the remaining provisions of such Finance Document or affect such provision in any other jurisdiction.

## **29. CALCULATIONS AND COMPUTATIONS**

- (a) The Lender shall maintain, in accordance with its usual practice, accounts evidencing the amounts from time to time lent by and/or owing to it under this Agreement and the other Finance Documents. In any dispute between the Borrower and the Lender, including any Legal Proceedings, the entries made in the accounts maintained by the Lender shall, save for any manifest error, be conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded.
- (b) A statement signed by a designated officer of the Lender or a system generated statement shall be sufficient evidence of, Interest, Penal Charges, additional interest, and all other payments to be made to the Lender under the Finance Documents.

## **30. GOVERNING LAW AND JURISDICTION**

This Agreement is governed by and shall be construed in accordance with the laws of India. The Parties hereto expressly agree that all disputes arising out of and/or relating to this Agreement including any

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related documents shall be subject to the exclusive jurisdiction of the courts/tribunals at Delhi/Mumbai ("Place"). Provided that to the extent allowed by law, the Lender shall be entitled to take proceedings relating to any dispute in any courts/tribunals of any other place which otherwise has jurisdiction.

### **31. DISPUTE RESOLUTION AND ARBITRATION**

- (a) The Parties agree that any disputes arising out of or in relation to this Agreement shall be referred to arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 as may be amended, or its re-enactment, by a sole arbitrator. In case the Parties fail to appoint the arbitrator, the arbitrator may be appointed in accordance with the provisions of the Arbitration and Conciliation Act, 1996. Alternatively, any of the Parties may approach any of the arbitral institutions to appoint a sole arbitrator, as per the procedures laid down by the said institutions, and if the institution approached is not available or does not respond to the request for appointment of arbitrator within a period of 3 (three) working days from the date of request, the next institution can be approached. The Parties further agree that the said arbitration proceedings may also be undertaken through online dispute resolution (ODR) and/or through fast-track arbitration.
- (b) The arbitration proceedings shall be conducted in English language. The award passed by the arbitrator shall be final and binding on the Parties. The cost of such arbitration shall be borne by the losing Party or otherwise as determined in the arbitration award. The venue of arbitration shall be Delhi/ Mumbai or such other place as may be determined by the Lender. If a party is required to enforce an arbitral award by legal action of any kind, the party against whom such legal action is taken shall pay all reasonable costs and expenses and attorney's fees, including any cost of additional litigation or arbitration taken by the party seeking to enforce the award.
- (c) The arbitration proceedings shall be primarily based on documents which shall be conducted physically or in any electronic online mode and all pleadings and documents will be exchanged physically or electronically. In such instances, the hearings shall be conducted physically or virtually at the sole discretion of the arbitrator.
- (d) The Parties agree to carry out the arbitration proceedings virtually or physically or hybrid as may be determined by the arbitrator. Email address and mobile numbers as available, provided or otherwise referenced in the contract shall be considered for this purpose. Each party shall be responsible for intimating such institution as referred to above in the event of any change in its email address and/or mobile number throughout the arbitration proceedings.
- (e) Provided that the Lender shall at its discretion have the right to initiate/file/pursue separate or common/combined proceedings/actions against the Borrower and it is clarified that the Lender shall, at its discretion, be entitled to consolidate and combine any arbitral or other legal proceedings initiated or proposed to be initiated pursuant to this Agreement and/or Facility Documents with any arbitral or other legal proceeding initiated or proposed to be initiated under one or more of the other related documents.

**32.** Without prejudice to the generality of the above Clause 30, the Lender shall have the right to seek remedies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as applicable, the Insolvency and Bankruptcy Code, 2016, as applicable, and/or the Recovery of Debts and Bankruptcy Act, 1993 (DRT Act) in the event the legal status of the Lender changes or the law is amended or made to enable the Lender to proceed to recover dues from the Borrower/Co-Borrower under the DRT Act, in relation to its rights under the Finance Documents.

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### 33.SURVIVAL

- (a) All indemnities set forth herein shall survive the Final Settlement Date.
- (b) The Obligations of the Borrower under the Finance Documents will not be affected by:
  - (i) any unenforceability, illegality or invalidity of any obligation of any Person under a Finance Document; or
  - (ii) the breach, frustration or non-fulfilment of any provisions of, or claim arising out of or in connection with a Finance Document.

### 34.DISCLOSURE

- (a) The Obligors hereby agree that the Lender may disclose any information in respect of:
  - (i) the Borrower and the other Obligors;
  - (ii) any of the Finance Documents;
  - (iii) the Facility or any other credit facility availed/to be availed by the Borrower from the Lender;
  - (iv) obligations assumed / to be assumed by the Borrower/Obligors in relation to the Facility;
  - (v) default, if any, committed by the Borrower/Obligors in discharge of the aforesaid obligations; to any of its Affiliates and employees, authorised representatives or to any Person with whom it intends to enter, or has entered into any kind of transfer, participation or other agreement or transactions in relation to this Agreement, the Finance Documents, the Borrower or otherwise. Further, the Obligors hereby agree, acknowledge and confirm the right of the Lender to make disclosures as per the applicable rules and regulations laid down by SEBI/RBI and other regulators, from time to time.
- (b) Except as provided in this Clause, the Lender agrees to keep all non-public and confidential information ("**Information**") identified as confidential by the Obligors and made available (whether before or after the date of this Facility Agreement) by the Obligors, or on their behalf, to the Lender concerning the Obligors, confidential and not to communicate any Information, or allow any Information to be communicated to any third party unless:
  - (i) in connection with any proceedings arising out of or in connection with this Agreement or any other Finance Document;
  - (ii) required to do so by an order of a court of competent jurisdiction whether or not in pursuance of any procedure for discovering documents;
  - (iii) to RBI and/or Credit Bureau(s) or other credit information agencies;
  - (iv) pursuant to any Applicable Law or on demand by any regulator;
  - (v) to its auditors, consultants, accountants, legal advisers, collection agents or officers, other agents, advisors and representatives;
  - (vi) in circumstances where the relevant Information has been published or announced by the Obligors in conditions free from confidentiality or has otherwise entered the public domain;
  - (vii) the Information was obtained by the Lender from an independent or third party source.
- (c) Notwithstanding the foregoing provisions of this Clause, the Obligors agree and covenant that: -
  - (i) the Lender may make public announcements or place advertisements in relation to the financing of the Borrower;
  - (ii) the Lender shall, as the Lender may deem appropriate and necessary, be entitled to disclose all or any such:
    - 1) information and data relating to the Borrower and the Obligors;
    - 2) information or data relating to the Facility;
    - 3) obligations assumed/to be assumed by the Borrower and Obligors in relation to the Facility; and
    - 4) default, if any, committed by the Borrower/any Obligor in discharge of the aforesaid obligations, to the RBI, the Credit Bureau(s) and any other agency authorised in this behalf by RBI or any Applicable Law; and

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- (iii) RBI, the Credit Bureau(s) and any other agency so authorised 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.
- (d) The Obligors hereby agree and give its consent for the disclosure by the Lender to the RBI, the Credit Bureau(s) and/or any other agency authorised in this behalf by RBI/any Applicable Law of all Information.
- (e) The Obligors hereby consent to and acknowledge that the Lender may disclose, through their authorised officers and agents, information relating to each Obligor, the Finance Documents, the Security, any information received under or in relation to the Finance Documents, the Facility and its account(s) (including, without limitation, the escrow account) and/ or dealing relationship(s) with the Lender, including but not limited to details of the Facility, any security taken, defaults or potential defaults, transactions undertaken and balances and positions with the Lender, to if required to do so under any Applicable Law or by any Government Authority, court or tribunal with jurisdiction over any of the Parties and to any information utility established under the Insolvency and Bankruptcy Code, 2016.
- (f) The details of the properties charged as Security will be shared with the Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) and records will be available for search by any lender or any other person desirous of dealing with the said collateral.
- (g) The Borrower hereby consents to the Lender or any of its service providers to upload/submit as well as to download or receive in any manner, the data, including CKYC records from the Central KYC Registry or any other relevant entity or person in this regard, and to use the said data for the Know Your Customer (KYC) and re-KYC purposes as well as any other purposes in relation to the Facility.

### 35. CLASSIFICATION OF LOAN ACCOUNT

The Borrower understands and agrees that upon occurrence of Event of Default under this Agreement, the Lender shall have an unqualified right to classify the account of the Borrower as special mention account (SMA) or a non-performing asset ("NPA") or otherwise in accordance with the applicable guidelines, circulars, notifications, rules and regulations issued by the RBI or the any other authority. A scenario of SMA/ NPA classification has been illustrated under **Part A of Schedule 4** of this Agreement.

### 36. E-SIGNING

This Agreement may be accepted by the Borrower physically or electronically as follows: (a) In case the Agreement is accepted physically (wet signature) by the Borrower, the physical signature clauses at the end of this Agreement shall apply. However, in case the Agreement is electronically accepted by the Borrower as mentioned in sub-clause (b), then the physical signature of the Borrower shall not be required and the physical signature fields at the end of the Agreement, though appearing there, shall be treated as non-applicable. (b) In case of electronic acceptance of this Agreement by the Borrower, the Parties agree that this Agreement may be executed by virtue of electronic signature through Aadhaar card in accordance with Schedule II on the Information Technology Act, 2000 read with Electronic Signatures or Electronic Authentication Technique and Procedure Rules, 2015 and guidelines issued thereunder and other Applicable Laws and all electronic signatures are the legal equivalent of manual/handwritten signature and such electronic signatures shall be valid and binding on the Parties. This Agreement as executed by way of electronic signature shall be valid, binding and enforceable against the Parties under the Applicable Laws. The Parties hereto consent to be legally bound to this Facility Agreement notwithstanding that the Facility Agreement is electronically signed and no other further act, deed or writing or any physical or wet signature or acceptance on part of the Borrower shall be required for signing, acceptance and delivery by the Borrower.

### 37. CUSTOMER SUPPORT

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The Borrower may direct any inquiries or concerns pertaining to the execution or understanding of this Agreement to the dedicated customer service e-mail: [customer.support@axisfinance.in](mailto:customer.support@axisfinance.in). This provision serves to ensure the Borrower's access to timely information and support regarding the terms and conditions laid herein.

### **38. RECOVERY AGENTS**

The Borrower acknowledges that the Lender may use the services of a recovery agent ("Recovery Agent") for the recovery of the Facility in case of default. The Recovery Agent shall adhere to the guidelines set forth by RBI, which prohibit the use of intimidation, harassment, or abusive language. The Recovery Agent shall operate within permissible hours as specified by the RBI and any communication for recovery purposes shall be made at a mutually agreed upon location. The Lender shall ensure that the Borrower is informed about the details of the Recovery Agent to be engaged.

### **39. GRIEVANCE REDRESSAL MECHANISM**

The Borrower acknowledges that the Lender has established a Grievance Redressal Mechanism in accordance with the guidelines set forth by RBI. The Lender's Board of Directors has laid down the appropriate grievance redressal mechanism within the organization to resolve disputes between AFL and its customers. The mechanism ensures that all disputes arising out of the decisions of lending institutions' functionaries are heard and disposed off at least at the next higher level. The details of the grievance redressal officer belonging to the Lender as well as that of the local office of RBI will be prominently displayed at the Lender's branches/places where business is transacted for the benefit of the Borrower. The grievance redressal mechanism process is available at <https://www.axisfinance.in/policies-and-standards/fair-practices-code> and the contact details of the Grievance Redressal Officer shall be as follows:

Axis Finance Limited, Axis House, Ground Floor,  
Wadia International Centre, Worli, Mumbai- 400025,  
Kind Attn: Grievance Redressal Officer-Ms. Mangal Sarang,  
Email id- [mangal.sarang@axisfinance.in](mailto:mangal.sarang@axisfinance.in) ,  
Mobile No.- 022-62260049

### **40. KEY FACT STATEMENT**

The Borrower hereby confirms that prior to the execution of this Agreement, the Borrower has received the Key Facts Statement including the Annual Percentage Rate and the Repayment/Amortisation Schedule annexed hereto as Annexure 1 ("KFS") and that the Borrower has been explained the contents of such KFS in detail and that the Borrower has read and understood the KFS. The Borrower further confirms that the Borrower understands that the Repayment/Amortisation Schedule may change from time to time depending on various factors such as the amounts and time of disbursement under the Facility, change/fluctuation in the interest rate, defaults under/in relation to the Facility etc.

### **41. HANDOVER OF ORIGINAL TITLE DOCUMENTS:**

(a) Upon full repayment or full pre-payment of the Facility, as the case may be, along with payment of all applicable charges, fees, etc., the Lender shall release all the original title documents.

(b) The Lender shall remove the charge(s) registered with any registry pertaining to the security created in favour of the Lender within a period of 30 days after full repayment/settlement of the Facility.

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(c) The original title documents shall be handed over to the Security Provider within 30 days of receipt of all the requisite documents from the Security Provider post full repayment/settlement of the Facility.

(d) The original title documents can be collected from the branch where the loan application was made, or from any other branch chosen by the Security Provider by giving written notice to the Lender. In case the branch where loan application was made is moved/closed, the security provider can collect the original title documents from the nearest branch.

(e) In the event of the demise of the Security Provider, the Lender shall arrange for the return of the original title documents to the legal heir(s) of such deceased Security Provider(s)/mortgagor(s)/property owner(s) in the manner displayed on the Lender's website.

(f) The Lender shall not be responsible for any delay in the return of original title documents and/or delay in or failure with regard to filing the charge satisfaction form with the relevant registry, if such delay/ failure is attributable to the Borrower or Security Provider(s).

(g) If the property owner(s) fail to collect the original title documents from the designated AFL branch within 30 days from the date of full repayment/settlement, the documents will be re-dispatched to storage, and any subsequent retrieval of the property documents will be subject to retrieval charges, as may be applicable.

## **42. INSURANCE**

The Lender may advise to cover the risk of Facility repayment through life Insurance where the Borrower has an option to enrol for Insurance through the partners of the Lender from the options provided or through any other insurance company available in open market as per the choice of the Borrower after reviewing an understanding the terms and conditions of such insurance products. The Borrower may choose to avail or not to avail insurance at all as per their discretion.

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## SCHEDULE 1: REPRESENTATIONS AND WARRANTIES

The Obligors hereby represent and warrant as follows:

### 1. Status

The Borrower/any Obligor if an individual, is a resident of India, is not minor, is of sound mind and of legal age and has the necessary capacity to enter into and be bound by the provisions of each Finance Document to which it is a party.

(OR) The Borrower and the Obligors, as applicable, are duly organised/ registered/ constituted and validly existing under the Companies Act, 2013/ Indian Partnership Act, 1932/ Limited Liability Partnership Act, 2008/ Indian Trust Act, 1882/ Cooperative Societies Act, 1912 or any other Applicable Law.

### 2. Authorisations, Enforceability Etc.

- (i) Each of the Obligors has the power to enter into, perform and deliver, and have taken all necessary corporate action to authorise them to enter into, performance and delivery of the Finance Documents to which it is a party and the transactions contemplated therein.
- (ii) All authorisations, licenses, approvals, waivers or exemptions, consents, and Clearances required or desirable to obtain the Facility have been obtained or effected by the Obligors and are in full force and effect.
- (iii) The execution, delivery and performance by the Obligors of the Finance Documents and the consummation of the transactions contemplated therein, do not and will not conflict with, contravene, result in a violation or breach of or default under the existing agreements and/or under Applicable Law.
- (iv) Any document provided to the Lender by or on behalf of the Obligors which purports to be a certified copy is a true, complete and accurate copy of the original document which has not been amended other than by a document a certified copy of which is attached to it.
- (v) The Lender has received a true, complete and correct copy of each of the Finance Documents in effect or required to be in effect as of the date this representation is made or regarded as made.

### 3. Information

- (i) The information provided to the Lender and its representatives and agents during the preparation and negotiation of the terms of Facility was provided by the Borrower/any Obligor and its representatives in good faith and was when given, and is as of the date hereof, true, accurate, complete and not misleading.
- (ii) All information contained in this Agreement is true, accurate and complete.

### 4. Properties forming part of the Security

- (i) There are no restrictions on the Obligors under any documents binding on them, to create a Security Interest in favour of the Lender over the right, title and interest of the Obligors in Secured Assets offered as Security to the Lender in accordance with this Agreement and the Sanction Letter.
- (ii) There are no outstanding encumbrances, mortgage/s, charge/s, lien/s, notices for acquisition, requisitions, easement rights or outstanding interest, lien or claim by any person or any other Security Interest in respect of the Secured Assets. The Secured Assets are not the subject matter of any pending litigation or attachment either before or after judgment.
- (iii) There are no current or contingent notices, actions, disputes, complaints, liabilities, claims or demands relating to or in respect of the Secured Assets or its use, nor are there any circumstances rendering any of the foregoing likely.
- (iv) No notice of acquisition or requisitions has been served upon and/or received by Obligors or its predecessors in title with respect to the Secured Assets offered as Security by the Obligors to the Lender or any part or portion thereof.
- (v) All Finance Documents are duly stamped and registered, as applicable, no notice (if required) from the revenue authority has been received till date.

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- (vi) Except other than disclosed in writing to the Lender, each of the Obligors has in its possession or control all deeds, documents and writings which are necessary to prove their title and rights in the properties forming part of the Security to the Lender.

#### **5. No Default**

- (i) No Event of Default is continuing or might reasonably be expected to result from the making of any Disbursement under the Facility.
- (ii) No other event or circumstance is outstanding which constitutes (or shall constitute) a default or termination event under any other agreement or instrument which is binding on the Borrower or any Obligor to which its assets are subject.

#### **6. Financial Statements**

- (i) The financial statements of the Obligors are prepared in accordance with GAAP as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Obligors.
- (ii) The financial statements of the Obligors give a true and fair view of its financial condition and operations as at the end of and for the relevant financial year.

#### **7. Taxation**

All taxation of any nature whatsoever for which any of the Obligor is liable, or for which any Obligor is liable to account and which has fallen due for payment, has been duly paid (insofar as such taxation ought to have been paid). None of the Obligors have asked for any extensions of time for the filing of any tax returns or other documents relating to taxation, or the payment of any amount of taxation.

#### **8. No Proceedings Pending or Threatened**

- (i) There are no Legal Proceedings initiated or pending against any of the Obligors or award given against any of the Obligors by any court, arbitrator or other body to which such Obligor or any of their assets are or may be subject, or which relates in any manner to this Agreement or the transactions contemplated hereby or which could adversely impact their ability to perform the terms of this Facility Agreement and the other Finance Documents to which they are a party.
- (ii) None of the Obligor are aware of any circumstances which are likely to give rise to any such Legal Proceedings as is referred to in (i) above.

#### **9. Insolvency**

None of the Obligor, as applicable, have filed or have not been made a party or sought to be made a party to any proceedings for winding up, dissolution, administration or reorganisation or bankruptcy or for the appointment of a receiver, trustee or similar officer of the Obligors or of any or all of their assets. The Obligors (as applicable) neither received any notice of nor has voluntarily filed, any application to initiate corporate insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016.

#### **10. Security**

The Obligors have the absolute right, title and interest to the Secured Assets and have a clear and marketable title to the same.

#### **11. Connected Lending**

- (i) None of the Borrower's directors, or manager or employee is a director or a relative of a director of the Lender.
- (ii) No director of the Lender is a partner, manager, managing agent, employee or guarantor of the Borrower, or of an Affiliate of the Borrower, or holds substantial interest, in the Borrower or an Affiliate of the Borrower and no directors of any other bank holds substantial interest or is interested as a partner/director or as a guarantor of the Borrower.
- (iii) Except to the extent disclosed in writing to the Lender, none of the directors of the Borrower, is a director of a banking company (as defined under the Banking Regulation Act, 1949 of India) or specified near relation (as specified by RBI) of a director of a banking company. Except to the extent disclosed in writing to the Lender, no specified near relative (as specified by RBI) of a

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chairman / managing director or director of a banking company (including that of the Lender) or a relative of senior officer (as specified by RBI) of the Lender, holds substantial interest or is interested as a director or as guarantor of the Borrower.

#### **12. Defaulter List; ECGC Caution List**

The Obligors, their directors, promoters, guarantors, partner, member, trustee or associate concerns, as applicable, do not figure in any list of willful defaulters circulated by RBI or the caution list of the Export Credit Guarantee Corporation or Specific Approval list or COFEPOSA defaulters list or the Lender's defaulters list, and that no director of any of the Obligor is disqualified under Section 164 of the Companies Act, 2013.

#### **13. No Immunity**

The execution or entering into, by the Obligors, of the Finance Documents constitutes, and the exercise of the rights and performance of the obligations by the Obligors under the Finance Documents will constitute, private and commercial acts done and performed for private and commercial purposes and that the Obligors are not entitled to claim sovereign or other immunity, whether under any Legal Proceedings claims or otherwise.

#### **14. Transaction with Affiliates**

The Borrower is not a party to any contracts or agreements with, nor has any other commitments to, any of its Affiliates, except for the contracts and agreements and commitments to its Affiliates, which have been disclosed to the Lender.

#### **15. Balance Transfer Declaration**

The Borrower hereby declares that it has approached the Lender for availing the Loan and shall provide requisite document for the processing of balance transfer application. Also, in case of any shortfall in foreclosure amount; the shortfall amount shall be paid by the Borrower to close the existing loan.

#### **16. Material Adverse Effect**

The Borrower hereby declares that no circumstances have occurred or is subsisting which will have Material Adverse Effect.

#### **17. Wilful Defaulter**

The Borrower hereby agrees and undertakes that no person whose name appears in the list of wilful defaulters maintained by RBI/CIC or in any caution list shall be inducted on its board or as a person in charge and responsible for the management of the affairs of the Borrower. In case such a person is found to be on the board or in charge of management, the Borrower shall take expeditious and effective steps for removal of such person from the board or from management. In the event of failure of the Borrower to remove such a person, the Lender may, at its sole discretion, treat the same as an Event of Default. Further, the Lender shall not renew, enhance, provide fresh credit facilities, or restructure existing facilities provided to the Borrower so long as such a person remains on the board or responsible for the management of the Borrower. This clause is in accordance with RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters RBI/DoR/2024-25/122, DoR.FIN.REC.No.31/20.16.003/2024-25, dated July 30, 2024.

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## SCHEDULE 2: EVENTS OF DEFAULT

Occurrence of any of the following events shall amount to an Event of Default:

- (a) The Borrower/Co-Borrower failing to pay any amount including the Interest or Repayment Installment or any part thereof (including any mandatory prepayments) due under the terms of Facility and the other Finance Documents on the due date or on demand, as the case may be;
- (b) Failure by the Borrower or the other Obligors to comply with, or a breach of, the Financial Covenants or Undertakings or any of the other material provisions of the Finance Documents;
- (c) Breach in minimum Asset Cover or the Security furnished by the Obligors depreciates in value to such an extent which warrants additional security to be furnished by the Borrower and the Borrower fails to provide such security within the time period stipulated by the Lender;
- (d) The Borrower defaults in the payment of Taxes to the statutory authorities as per the Applicable Laws.
- (e) Material breach of any other obligation under the Finance Documents, unless such breach is capable of remedy and is remedied within an agreed cure period as may be stipulated by the Lender;
- (f) Cross default and cross acceleration with any other financial indebtedness of the Borrower/Co-Borrower or any of its subsidiaries, if any.
- (g) Any material misrepresentation or statement made by the Borrower and/or the other Obligors (in any capacity) under any of the Finance Documents, including any representation or statement with respect to any security constituted herein, or any certificate or statement delivered by them pursuant thereto having been found to be incorrect or misleading in any respect;
- (h) Any adverse change in regulatory or guideline or ruling from any authority which will jeopardize the title ownership of the Secured Assets;
- (i) Utilisation of the Facility or any part thereof for any purpose which is considered or deemed to be unlawful, illegal or contravene the provisions of the Applicable Law;
- (j) Any of the Clearances of the Obligors having been revoked or rescinded or lapsed which would adversely impact the ability of the Borrower and/or the other Obligors, as the case may be, to perform their obligations under the Finance Documents;
- (k) Any of the Finance Documents once executed and delivered failing to provide the Security Interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such Security Interest failing to have the priority contemplated under the Finance Documents or any such Finance Documents ceasing to be in full force and effect, or the Security Interest purported to be created thereby being jeopardized or endangered in any manner whatsoever, or any other obligations purported to be secured thereby or any part thereof shall being disaffirmed by or on behalf of the Obligors or any other party thereto;
- (l) Any Obligor commencing or taking steps to initiate a voluntary process for its winding up/ dissolution/ insolvency, or consents to the entry of an order for relief in an involuntary proceeding under any law for its winding up/dissolution/insolvency or consents to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any part of its property;
- (m) An application for institution of corporate insolvency resolution process has been instituted against the Borrower and/or the Obligors, under the Insolvency and Bankruptcy Code, 2016.
- (n) An event of default, howsoever described, occurs and is subsisting under any agreement or document relating to any financial indebtedness of the Borrower/any Obligor;
- (o) Any death / lunacy or other disability of the Borrower and/or other Obligors;
- (p) In case of Co-borrower being spouses, then upon initiation of any divorce proceedings between them;
- (q) The Borrower or any Obligor ceasing or threatening to cease to carry on its business;
- (r) Any change in control or management of the Borrower/Obligor, if a company, and/or the promoter ceasing to hold majority stake and management control in the Borrower/Obligor;

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- (s) Any Governmental Authority having condemned, nationalized, seized, or otherwise expropriated all or any part of the assets of the Obligors (including any of the properties or assets forming part of the Security) or having assumed custody or control of the business or operations of the Obligors or having taken any action for the dissolution of the Obligors or any action that would prevent the Obligors or its officers from carrying on its business or operations or a substantial part thereof, as applicable;
- (t) An execution, attachment or restraint has been levied on all or any material part of the assets of the Obligors, including assets forming a part of the Security;
- (u) It is or becomes unlawful for the Obligors or any Person (including the Lender) to perform any of their respective obligations under any of the Finance Documents;
- (v) A moratorium is declared in respect of any of the actions of the Borrower/any Obligor;
- (w) Failure by the Borrower to comply with or pay any sum due from it under any final judgment or court order;
- (x) Repudiation by the Obligors of any of its obligations under the Finance Documents;
- (y) Any Legal Proceedings against the Borrower which could have a Material Adverse Effect on the Borrower;
- (z) The initiation of any creditors process or any expropriation, attachment, sequestration, distress or execution affects, or legal process enforced against the Borrower or any of its assets;
- (aa) Any default by the Borrower or any of its Affiliates/group concerns/ entities in respect of any of the facilities availed by them from the Affiliates of the Lender;
- (bb) Any jeopardy /dilution or sale of any of the Secured Assets offered as Security to Lender;
- (cc) Any Security or guarantee becoming unenforceable or infructuous or is challenged by any Obligor;
- (dd) The Borrower or Obligor fails to sign and deliver to the Lender the balance confirmation of the Facility as and when and in the manner required by the Lender in the absence of any manifest error in the statement pointed out by the Borrower within 10 days of receipt of balance confirmation statement from the Lender;
- (ee) If the Borrower/Co-Borrower fails to deliver the cheque/ECS Mandate/Direct Debit Mandate or the NACH Mandate as and when demanded by the Lender;
- (ff) Any deterioration or impairment of the Security and/or the Secured Assets or the value thereof or any part thereof which causes the Security or the Secured Assets in the judgment of the Lender to become unsatisfactory or insufficient, including depreciation in the value or market price of the assets thereunder whether actual or reasonably anticipated);
- (gg) Where the Borrower fails to get the charge created by way of the Security filed and registered in accordance with the provisions of Applicable Law including with the registrar of companies, CERSAI, etc;
- (hh) If any circumstance or event occurs which does or will or is likely to prejudice, impair, imperil, depreciate or jeopardize the Security and/or the Secured Assets and/or the capacity of the Borrower to pay the Obligations or any part thereof;
- (ii) Any non-submission of original documents by the Borrower as required by the Lender in cases of balance transfer loans.

## **CONSEQUENCES OF EVENT OF DEFAULT**

- (i) The Lender upon the occurrence of an Event of Default, may, by a written notice to the Borrower, declare all sums outstanding under the Facility (including the principal, Interest, charges, expenses) to become due and payable forthwith and exercise any or all of the following rights in addition to statutory rights that may be available to the Lender from time to time.
- (ii) The Lender shall, in respect of the Secured Assets put sign board at property site, take possession, be entitled to sell, give on rent, or otherwise deal with the properties comprised in the securities by public action or private contract or private treaty, without being liable for any loss, and to apply the

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net proceeds thereof towards recovery of outstanding Facility and dues under the Finance Documents. The Obligors agree to accept the Lender's accounts in respect of such sale, hire or dealing as conclusive.

- (iii) The Obligors agree and undertake not to prevent or obstruct the Lender or its agents from taking possession of the Secured Assets.
- (iv) The Lender may at the risk and cost of the Borrower/Co-Borrower engage one or more person(s) to collect the Borrower's outstanding and/ or to enforce any Security and may furnish to such person the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto as the Lender deems fit.
- (v) The Lender shall have the right to invoke the Guarantee Deed(s), as applicable, upon the occurrence of an Event of Default.
- (vi) The Lender shall have the right to:
  - (a) sue for creditors process and/or exercise, with respect to the Security, rights available to the Lender under the Finance Documents and/or Applicable Law, including for enforcement of the Security;
  - (b) charge Penal Charges;
  - (c) issue notice regarding the payment of proceeds of any insurance or compensation;
  - (d) call upon the Guarantor(s) to repay the Obligations of the Borrower;
  - (e) exercise its rights in respect of right of lien available with the lender;
  - (f) re-price the Facility;
  - (g) utilise any amounts in the accounts to service and repay the Obligations;
  - (h) disclose or publish the names of the Obligors and/or the directors on the board of the Obligors as wilful defaulters, in such manner and in such medium as the Lender and/or the RBI and/or Credit Bureau may, in their absolute discretion see fit;
  - (i) review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;
  - (j) appoint any Person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower/Obligor and/or the assets, including its premises, factories, plants and units, and to report to the Lender;
  - (k) appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower/any Obligor;
  - (l) at the cost and expense of the Borrower/ Co-Borrower, initiate, pursue, defend such legal and other proceedings/actions, whether criminal, civil or otherwise in nature, against the Borrower/ Co-Borrower or any other person, as deemed necessary by the Lender, inter alia for recovery of dues and/or to enforce the Security or any part thereof;
  - (m) without the intervention of court or authority or tribunal, to enforce the Security, including the right to sell, transfer, lease, license, dispose off, alienate in any manner at Lender's discretion, the Property or any part thereof, to any person(s), whether by means of private treaty or public auction or otherwise, and with or without the intervention of any court/ tribunal, at the sole discretion of the Lender and appropriate the proceeds therefrom against the Obligations;
  - (n) do, execute, sign, deliver, all incidental or necessary things, deeds, writings, as may be necessary to give effect to the aforesaid and/or in order to exercise the rights of the Lender under this Agreement;
  - (o) convert the outstanding Obligations into equity or other securities. The Borrower shall provide shareholder resolution/ authorization allowing Lender the right to facilitate such conversions;
  - (p) declare the undrawn amounts of the Facility (or any part thereof) to be cancelled and/or suspend access of the Borrower to any Disbursement till the continuance of the Event of Default;

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- (q) appoint a nominee director on the board of the Borrower/Obligor (if the Borrower/Obligor is a company), shall not be liable to retire by rotation and who shall not be capable of being removed by the Board of the Borrower/Obligor without the consent of the Lender;
- (r) appoint an observer to attend the meetings of the Borrower/any Obligor with similar rights as to receipt of notice and annexures thereto as are available to nominee directors except for the right to vote and obligations provided for in respect of nominee directors under the Companies Act, 2013; and
- (s) exercise such other rights as may be available to the Lender under the Finance Documents and Applicable Law.

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## SCHEDULE 3: UNDERTAKINGS AND COVENANTS

### Part A- Affirmative Covenants

#### 1. Security

- (a) The Borrower and the Obligors shall promptly submit with the Lender (if so requested by the Lender) all the original documents of the Mortgaged Property, Hypothecated Assets exclusively in favour of the Lender. The Borrower and/or the relevant Obligors shall or shall cause to be deposited the Rent Receivables in such account or escrow account, as stipulated by the Lender.
- (b) The Borrower shall cause the Guarantors to forthwith execute Guarantee Deeds in the form and manner satisfactory to the Lender, in favour of the Lender guaranteeing the fulfillment of all the Obligations of the Borrower under the Finance Documents.
- (c) The Obligors shall create Security in favour of the Lender securing the Facility with such ranking and within such time as stipulated under this Agreement.
- (d) The Borrower confirms that unless otherwise agreed by the Lender, the Security Interest over the Secured Assets shall not be released until the Final Settlement Date.

#### 2. Inspection and Compliance

The Borrower and the Obligors hereby undertake:

- (a) That it shall each permit officers and representatives of the Lender to visit and inspect during normal business hours the Mortgaged Property and Hypothecated Assets and to inspect the books of record and accounts of the Obligors and be advised as to the same, by its officers. The cost of any such visit shall be borne by the Borrower.
- (b) That it shall comply with the Applicable Law in all material respects.
- (c) That it shall each in a timely manner, obtain and maintain, or cause to be obtained and maintained, in full force and effect (or where appropriate, renew) all Clearances required for the purposes of the transactions as contemplated by the Finance Documents and all material Clearances for the conduct of business of the Borrower.
- (d) That it shall perform all of its obligations under the Finance Documents to which it is a party and maintain in full force and effect each of the Finance Documents to which it is a party.

#### 3. Books of accounts

The Obligors undertake: -

- (a) to keep such adequate accounting and control systems, management information systems, books of account, and other records as are required to be maintained under Applicable Law and such accounts as are adequate to reflect truly and fairly the financial condition and results of operations and which shall contain full, true and correct entries in conformity with GAAP consistently applied and all requirements of Applicable Law.
- (b) to ensure that audited financial statements of all the Obligors for each Financial Year are prepared within timelines prescribed by Applicable Law and in preparation of such financial statements apply all accounting policies in a consistent manner as per past practices and in any case in accordance with GAAP.

#### 4. Taxes

The Obligors undertake that it shall pay or cause to be paid:

- (a) all Taxes (including stamp taxes), duties, fees, or other charges payable on or in connection with the execution, issue, delivery, registration, or notarisation, or for the legality, validity, or enforceability of any of the Finance Documents and any other documents related thereto;

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- (b) all Taxes, duties and fees payable by such Obligor under Applicable Law, including but not limited to payment of (i) all present and future Taxes imposed on it prior to or on the date when due and (ii) all present and future claims, levies or liabilities which have become due and payable; and
- (c) such disputed Taxes or other claims, levies or liabilities of the Obligor upon the delivery of any judgment or order, interim or otherwise unless contested in bona fide, validly and in good faith and as shall be determined by the Lender, enforcing any such Taxes.

## 5. Insurance Policies

Each of the Obligors undertakes that:

- (a) It shall ensure that all its assets forming part of the Security of the Lender shall be kept fully insured (if insurable in nature) by obtaining insurance contracts ("**Insurance Contracts**") to insure against fire and such other risks which as per good industry practices should be insured against on such terms and conditions as may be stipulated by the Lender;
- (b) That all Insurance Contracts of the Obligors in relation to the Secured Assets shall have the Lender named as the sole loss payee and as an additional insured;

In the event the Obligors fail to renew the insurance of the Secured Assets and submit the receipt thereof on or before 7 (seven) days prior to expiry of the existing policy, the Lender will be at liberty (but shall not be obliged) to get the insurance of the Secured Assets renewed on behalf of the Obligors and the insurance premium paid shall form part of the outstanding Obligations and shall be recovered from the Obligors.

## 5A. Declaration

The Obligors hereby declares as follows:

- (a) that none of the directors/partners of the Borrower are related to any director of the Lender or their relatives as defined under Section 2(77) of the Companies Act, 2013.
- (b) That none of the directors/partners of the Borrower are related to any Senior Officers of the Lender. For the purpose of this clause, the term 'Senior Officer' shall have the same meaning as assigned to the term 'Senior Management' under Section 178 of the Companies Act, 2013.

Notwithstanding anything contained herein, the Lender shall recall the entire loan given under the Financing Documents if it comes to its knowledge that the Borrower has given a false declaration under clause 5A.

## 6. Undertakings

The Obligors hereby agree and undertake that: -

- (a) They shall at all times maintain the minimum Asset Cover as stipulated in this Agreement and if the Asset Cover falls below the minimum stipulated level as per this Agreement, the Borrower shall either prepay the proportionate Facility immediately or create such additional security as may be stipulated by the Lender.
- (b) The Obligor will maintain the sign board at the Mortgaged Properties / Security site stating that the said property is mortgaged to Lender.
- (c) Lender reserves the right to appoint qualified engineers/ accountants / technical experts /management consultants of its choice to examine the books of accounts, Mortgaged Property, status and operations of any of the Obligors or to carry out a full concurrent/statutory audit. The cost of such inspection/reports shall be borne by the Borrower/such Obligor.
- (d) None of the director's or his/her relatives or senior officials of the Lender or the directors of another Lender, holds interest in the Borrower. If any partner/ director of the Borrower is related to a director of the Lender or of another Lender, or his relatives, or relatives of senior officers of the Lender, the declaration should give details of the relationship.

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- (e) Non-dilution of promoters' shareholding in the Borrower (if a corporate), and retain management control in the Borrower through-out the Tenor of the Facility.
- (f) The Obligors shall obtain all necessary statutory permission from regulatory, government and other agencies from time to time.
- (g) The Borrower shall issue and submit TDS Certificate to the Lender within 30 (thirty) days from the due date of furnishing of statement of TDS.
- (h) The Obligors shall ensure payments of statutory dues/ property taxes, etc. regularly as per the Applicable Laws.
- (i) The Obligors shall maintain adequate books and records which should correctly reflect their financial position and operations and it should submit to the Lender at regular intervals such statements as may be prescribed by Lender.
- (j) The Obligors shall keep the Lender informed of happening of any event which is likely to have an impact on their profit or business. The Obligors shall inform accordingly with reasons and the remedial steps proposed to be taken.
- (k) Each Obligor shall promptly give written notice to the Lender of (a) any dispute which might arise between the Borrower/such Obligor and any other Person or Governmental Authority in relation to the Secured Assets, (b) any distress or execution being levied against the Secured Asset, (c) any material circumstances affecting the ability of the Borrower or any Obligor, as applicable, to repay the Facility in the manner stipulated thereunder.
- (l) The Obligors shall comply with the rules and regulations under Real Estate (Regulation and Development) Act, 2016 and shall do the needful in order to be in compliance with the same within stipulated timelines therein.
- (m) Inspection of Mortgaged Property charged to the Lender will be carried out at least once in a year or at more frequent intervals as may be decided by the Lender, by its own officials or through persons/firm appointed by the Lender. The cost of inspection (if any) shall be borne by the Borrower.
- (n) The Borrower acknowledges and agrees that the Lender has a right to award a separate mandate to the auditor or any independent auditor, as the Lender may deem fit with a view to obtain a specific certificate regarding diversion/siphoning of funds by the Borrower. The Borrower agrees and undertakes to co-operate with such auditor and provide necessary information as may be required by such auditor from time to time.
- (o) Each of the Obligor shall comply with the terms, conditions and covenants contained in the Sanction Letter.
- (p) The Obligors shall pay all the charges pertaining to the Facility, in accordance with the schedule of charges mentioned in **PART B OF SCHEDULE 4** of this Agreement.
- (q) The Borrower and/or Co-Borrower shall maintain DSRA/ISRA in accordance with the terms of the Sanction Letter.
- (r) They shall take steps to enter into a valid and binding Lease Agreement and shall ensure that the Lease Agreement is neither terminated nor modified without the prior written consent of the Lender.
- (s) The Obligors shall not assign the Rent Receivables to anyone else until the Final Settlement Date.
- (t) If the Lease Agreement is terminated by the Lessee or by operation of Applicable Law or by any force majeure event or due to any other event, the Obligors shall ensure to forthwith inform the Lender and may with the prior approval of the Lender, have the right to lease out the Property, or any part thereof, forthwith to another Lessee. In such an event the said Rent Receivables shall be deemed to have been assigned/ hypothecated/ charged to the Lender under the Security Documents and all the terms and conditions agreed under the Finance Documents shall apply mutatis mutandis. Notwithstanding the above, the Lender, at its sole discretion, shall have the right to demand payment of the balance outstanding Obligations forthwith.
- (u) The Obligors shall ensure to obtain necessary Tripartite Letter from Lessee stating that (a) the Lessee has no objection to assignment of the Rent Receivables due to the Lessor from the Lessee to the Lender as a security for the due repayment of the Obligations under the Financing Documents; and

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- (b) the Lessee shall deposit all the Rent Receivables into the escrow account opened for that purpose in accordance with the Finance Documents.
- (v) The Obligors, as applicable, until the Final Settlement Date, avail of or obtain any further loan or facility on the security of the Rent Receivables without the prior written consent of the Lender.
- (w) The Obligors, as applicable, shall open, establish and maintain an escrow account with a scheduled bank of Lender's choice for deposit of all the Rent Receivables, sale proceeds or any other receivables both present and future, in the form and manner provided under this Agreement, and shall ensure that all the Rent Receivables shall be routed through the escrow account and all the Rent Receivables shall be appropriated towards servicing of the Facility.
- (x) The Obligors, as applicable, shall disclose in the pamphlets, brochures and/or advertisements the name(s) of the entity to which the property of the Obligors, as applicable, is mortgaged. Further, the Obligors, as applicable, shall also indicate in the pamphlets and/or brochures, that the Obligors shall provide a no objection certificate from the mortgagee entity for sale of its property, if required.

## 7. Cancellation of Sales

In the event that any sale for any part of the property which was mortgaged to the Lender gets cancelled, the Lender shall have a right to a Security Interest over such part of the property and the Borrower shall take the necessary actions for the perfection of such Security to the satisfaction of the Lender.

### Part B- Negative Covenants

The Obligors covenant and agree that, till the Final Settlement Date, unless otherwise permitted under the Finance Documents and without the prior written consent of the Lender, the Obligors shall not:

- (a) allow any changes in the capital structure or directorship or shareholding pattern or the control or management in the Borrower (if a body corporate);
- (b) allow any winding up, liquidation or dissolution of the Borrower/any Obligor, if applicable, in any manner or transfer of all or substantially all of the assets of the Borrower/any Obligor or initiate any steps in that regard;
- (c) enter into any transaction of merger, spin-off, consolidation, reorganisation or implementation of any scheme of amalgamation or reconstruction;
- (d) change the accounting policies or its accounting reference date/year;
- (e) transfer any monies by way of dividends, return of capital other than from proceeds of the Facility, distribution of profits or otherwise;
- (f) amend or alter the Constitutional Documents of the Obligors, if applicable, so as to prejudicially affect the rights of the Lender;
- (g) create any Security Interest in favour of any person other than the Security for the Facility over the Secured Assets;
- (h) engage in any business or activities other than those which such Obligor is currently engaged in out of the monies in relation to the property, either alone or in partnership or joint venture with any other person, nor acquire any ownership interest in any other entity or person or enter into any profit sharing or royalty agreement or other similar arrangement;
- (i) raise any further debt or loans in relation to or against the Secured Assets.

### Part C- Information Covenants

The Obligors covenant and agree that, till the Final Settlement Date, each Obligor shall immediately provide information in respect of the following:

- (a) any event which constitutes an Event of Default, specifying the nature of such Event of Default and any steps such Obligor is taking and proposes to take to remedy the same;

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- (b) any notice or any application to initiate corporate insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 and such information to be furnished to the Lender forthwith upon receipt of notice or application.
- (c) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Companies Act, 2013 or any other notice under any other Applicable Law or otherwise of any suit or legal process intended to be filed or initiated against any Obligor and affecting the title to the property of any Obligor or if a receiver is appointed of any of the properties or business or undertakings of any Obligor;
- (d) any one or more events, conditions or circumstances that exist or have occurred that has, had or could reasonably be expected to have a Material Adverse Effect;
- (e) any Legal Proceeding pending or threatened, regulatory notices or judicial orders against the Borrower, or any dispute between the Obligors and any Governmental Authority, which could have a Material Adverse Effect;
- (f) any proposal by any Governmental Authority to acquire compulsorily any Obligor or any part of the Security provided herein;
- (g) any Security Interest being granted or established or becoming enforceable over any of the properties/assets forming part of the Security;
- (h) any offer, proposal or statement of interest from or discussion with any person to buy the Mortgaged Property and any sale of such Mortgaged Property;
- (i) any additional debt by the Borrower from any bank/financial institution/asset reconstruction company (whether secured or unsecured) other than the debts which have been borrowed prior to the date of this Facility Agreement and details of which have been disclosed to the Lender;
- (j) the occurrence of any other event, circumstance or condition which constitutes or results in any representation, warranty, covenant or condition under the Finance Documents being or becoming untrue or incorrect in any material respect;
- (k) furnish information/documents including quarterly/annual financial accounts as may be required by the Lender for review/renewal of credit facility sanctioned;
- (l) furnish to the Lender the position vis-à-vis the outstanding statutory obligations such as income tax, payment of provident fund, additional emoluments (compulsory deposit), gratuity, electricity dues etc. as and when demanded by the Lender with reasons, if any, for increase from the earlier month and the proposed plan of payments thereof;
- (m) forward to the Lender, provisional balance sheet and profit and loss account within 45 (forty-five) days of year-end and audited accounts within 6 (six) months of year end and quarterly financial results within 60 (sixty) days from the end of each quarter, if the Borrower is a corporate.

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**SCHEDULE 4: PART – A**

|   |  |   |
|---|--|---|
| <b>Date of Agreement</b>  |  |   |
| <b>Place of Execution</b>   |  |   |
| <b>Registered &amp; Branch Address and Notice Details of Lender</b> | <p><b>Kind Attention:</b> Chief Operating Officer (COO)</p> <p><b>Registered Address:</b> Axis Finance Limited, Axis House, Wadia International Centre, P.B. Marg, Worli, Mumbai – 400 025</p> <p>Branch Address: [•]</p> <p>E-mail: afl.notice@axisfinance.in</p>   |   |
| Sanction Letter   | Ref. No. AFL/CO/EM/FY2021-22/Nov/[outward NO.]/[zonal locations, WZ,NZ,EZ,SZ to be added], dated [•]   |   |
| Amount of Facility  | <p>1) Term Loan - INR [•]/- (Rupees [•] Only)</p> <p>2) Overdraft / Dropline Overdraft (OD/DLOD) – INR [•]/- (Rupees [•] Only)</p> <p>3) DSRA/ISRA Overdraft (DSRA/ISRA OD) – INR [•]/- (Rupees [•] Only)</p> <p>(Term Loan, OD/DLOD and DSRA/ISRA OD, hereinafter be collectively called as the "Facility")</p> |   |
| Borrower  | Borrower 1   | <p>Name: M/s. XYZ Pvt Ltd</p> <p>Legal Status:</p> <p>CIN/ LLPIN/Reg. No./ PAN (as applicable):</p> <p>Address/Registered Office Address:</p> <p>Kind Attention: [•]</p> <p>Correspondence Address: [•]</p> <p>Mobile No.:</p> <p>E-Mail:</p> |
|   | Co-Borrower 1  | <p>Name: M/s. XYZ Pvt Ltd</p> <p>Legal Status:</p> <p>CIN/ LLPIN/Reg. No./ PAN (as applicable):</p> <p>Address/Registered Office Address:</p> <p>Kind Attention: [•]</p> <p>Correspondence Address: [•]</p> <p>Mobile No.:</p> <p>E-Mail:</p> |
| Co-Borrower   | Co-Borrower 2  | <p>Name: M/s. XYZ Pvt Ltd</p> <p>Legal Status:</p>  |

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 Pandurang Budhkar Marg, Worli, Mumbai - 400 025  
 Tel : 022-2425 2525 | Fax : 022-4325 3000  
 Email : info@axisfinance.in | Website : www.axisfinance.in  
 CIN : U65921MH1995PLC212675



**AXIS FINANCE**

|                                 |  |   |                      |   |         |                |         |                                      |         |                                      |
|---------------------------------|--|---|----------------------|---|---------|----------------|---------|--------------------------------------|---------|--------------------------------------|
|                                 |  | CIN/ LLPIN/Reg. No./ PAN (as applicable):<br>Address/Registered Office Address:<br><br>Kind Attention:<br>Correspondence Address:<br>Mobile No.:<br>E-Mail:   |                      |   |         |                |         |                                      |         |                                      |
| Guarantor                       | Guarantor 1  | Name: M/s. XYZ Pvt Ltd<br>Legal Status:<br>CIN/ LLPIN/Firm Reg. No./ PAN (as applicable):<br>Address/Registered Office Address:<br><br>Kind Attention:<br>Correspondence Address:<br>Mobile No.:<br>E-Mail: |                      |   |         |                |         |                                      |         |                                      |
|                                 | Guarantor 2  | Name: M/s. XYZ Pvt Ltd<br>Legal Status:<br>CIN/ LLPIN/Firm Reg. No./ PAN (as applicable):<br>Address/Registered Office Address:<br><br>Kind Attention:<br>Correspondence Address:<br>Mobile No.:<br>E-Mail: |                      |   |         |                |         |                                      |         |                                      |
| Governing Laws                  | Law of India   |   |                      |   |         |                |         |                                      |         |                                      |
| Place of Jurisdiction           | Mumbai / _____   |   |                      |   |         |                |         |                                      |         |                                      |
| Classification of Loan Account: | <p>Borrower's Loan account shall be classified in the following manner, in case of delay in payment of the any amount under the Loan, Principal or interest payment or any other amount wholly or partly overdue, as per extant guidelines prescribed by RBI, as amended from time to time:</p> <table border="1"> <tr> <td>• SMA Sub-categories</td> <td>• Basis for classification – Principal or interest payment or any other amount wholly or partly overdue</td> </tr> <tr> <td>• SMA-0</td> <td>• Upto 30 days</td> </tr> <tr> <td>• SMA-1</td> <td>• More than 30 days and upto 60 days</td> </tr> <tr> <td>• SMA-2</td> <td>• More than 60 days and upto 90 days</td> </tr> </table> <p><b>Example:</b> If due date of a loan account is March 31, 2021, and full dues are not received before the lending institution runs the day-end process for this date, the date of overdue shall be March 31, 2021. If it continues</p> |   | • SMA Sub-categories | • Basis for classification – Principal or interest payment or any other amount wholly or partly overdue | • SMA-0 | • Upto 30 days | • SMA-1 | • More than 30 days and upto 60 days | • SMA-2 | • More than 60 days and upto 90 days |
| • SMA Sub-categories            | • Basis for classification – Principal or interest payment or any other amount wholly or partly overdue  |   |                      |   |         |                |         |                                      |         |                                      |
| • SMA-0                         | • Upto 30 days   |   |                      |   |         |                |         |                                      |         |                                      |
| • SMA-1                         | • More than 30 days and upto 60 days   |   |                      |   |         |                |         |                                      |         |                                      |
| • SMA-2                         | • More than 60 days and upto 90 days   |   |                      |   |         |                |         |                                      |         |                                      |

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|  |   |
|--|---|
|  | <p><i>to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30, 2021 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2021.</i></p> <p><i>Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 30, 2021 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2021.</i></p> |
|--|---|

**SCHEDULE 4: PART – B (SCHEDULE OF CHARGES)**

|  |  |
|--|--|
| CERSAI   | Rs. 100  |
| Bounce Charges<br>Cheque Return / NACH failure<br>/ Direct Debit Return          | Rs. 750/- per instance.  |
| Loan Rescheduling charges (On Borrower's request and subject to approval of AFL) | 0.50% of outstanding Loan  |
| Interest Rate mechanism swap charges (Fixed to floating and vice versa)          | 1% of Loan outstanding   |
| Loan cancellation  | Rs. 5000/-   |
| Collateral / Security Swapping/<br>Partial release                               | Rs 5000 per instance   |
| Renewal Charge for OD /DLOD/<br>DSRA/ISRA OD Facility                            | Minimum Rs 5000 or 0.50% of sanctioned amount whichever is lower |
| PDC, Security cheques, NACH<br>Swap Charge                                       | Rs. 500/- per instance.  |
| Document Retrieval Charges   | Rs. 500/- per document   |

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**SCHEDULE 4: PART – C  
SCHEDULE OF PENAL CHARGES**

| Sr No   | Penal Charge Category  |  |
|---|--|--|
| <b>A. Financial Terms &amp; Conditions</b>      |  |  |
| (1)   | <b>Penal Charges for delay in any payments due under the Facility Agreement/ Finance Document(s)</b>   | <b>6% p.a. on the overdue amount (Principal overdue / Interest overdue / EMI overdue) for the period the said amount remains overdue</b>   |
| <b>B. Non- Financial Terms &amp; Conditions</b> |  |  |
| (1)   | <b>Penal Charges related to Delay in Security Creation as per the terms of the Sanction Letter.</b>  | <b>2% p.a.<br/>The penal charges for delay in Security creation will be levied on the outstanding principal amount of the Facility, commencing from the date the Security was supposed to be created until the date it is actually created.</b>  |
| (2)   | <p><b>(a) Penal Charges related to non-compliance of any *material terms and conditions as per the Sanction Letter /this Agreement.</b></p> <p><b>(b) Penal Charges related to non-submission of documents / information as per terms and conditions of the Sanction Letter.</b></p> | <p><b>1% p.a.<br/>The Penal Charge for these non-compliance will be levied on the outstanding principal amount of the Facility, for each instance of non-compliance, calculated from the date of the breach until the date the terms of the Sanction Letter/ this Agreement are met.</b></p> <p><b>In cases involving multiple breaches, the total penal charges will not exceed 3%.</b></p> |

The said Penal Charges are over and above the applicable Rate of Interest. There will be no capitalization to penal charges.

|  |
|--|
| <b>*Material Terms (in addition to Material Term covered under point A(1) and B(1) and 2(b) of the table above)</b>  |
| <ol style="list-style-type: none"> <li><b>1. Event of Default: Occurrence of any Event of Default under the Sanction Letter or other Finance Documents, other than Event of Default related to financial default of the Borrower.</b></li> <li><b>2. Security Cover: Not maintaining the security cover as stipulated under the Sanction Letter.</b></li> <li><b>3. Financial Covenants: Violating any Financial Covenants stipulated under the Sanction Letter or allowing deterioration in financial conditions impacting the fulfilment of obligations under the Sanction Letter or other Finance Documents.</b></li> </ol> |



- 4. Approvals: Failing to obtain or maintain necessary approvals including but not limited to construction permissions, completion certificate, environment clearance, permission to mortgage, no-objection letters, pari-passu ceding letter, etc wherever applicable within stipulated timelines.**
- 5. Business Plans or Project Timelines: Deviating from agreed business or base case plans or cash flow planner or delaying project implementation, completion, or improvement.**
- 6. Creditworthiness: Delay/failure to obtain external credit risk rating from the agency approved by RBI, as stipulated in the Sanction Letters, wherever applicable, or negative outlook, business viability affecting financial stability, as stipulated in the Sanction Letter, wherever applicable.**
- 7. Cashflow routing: Delaying the opening of the Escrow Account as stipulated under the Sanction Letter, or failing to route the cash flows through any designated account, stipulated in the Sanction Letter, if applicable.**
- 8. Insurance: Not procuring/renewing and endorsing of the insurance of assets and securing the assets on time.**
- 9. Additional Borrowing: Save for exceptions permitted under this Sanction Letter, if the Borrower incurs additional borrowing or obligations without prior consent of the Lender.**
- 10. Non submission of information: Not providing information necessary for periodic review or renewal within stipulated timelines.**
- 11. Any other material terms as defined in the Sanction Letter.**

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## **SCHEDULE 5**

### **REPAYMENT SCHEDULE FOR TERM LOAN**

As specified under the Repayment Schedule / Amortisation Schedule in the KFS and as may be communicated by the Lender from time to time vide Addendum/supplementary Sanction Letter/Letter/E-mail.

***[Rest of this page is intentionally left blank]***

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**AXIS FINANCE**

## SCHEDULE 6 FORM OF NOVATION DEED

THIS **NOVATION DEED** is made on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_ by and among:

**AXIS FINANCE LIMITED**, a non-banking financial company under the Reserve Bank of India Act, 1934, having its registered office at Axis House, Ground Floor, Wadia International Centre, Worli, Mumbai – 400025, and an office at [●] (hereinafter referred to as the “**Existing Lender**”, which expression shall, unless repugnant to the context or meaning thereof, include its successors, transferees, novatees and assigns); and **[INSERT NAME OF NEW LENDER]**, a company validly existing under the Companies Act, 2013 and having its registered office at [●] (hereinafter referred to as “**New Lender**”, which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assigns, transferees and novatees).

1. This Novation Deed dated \_\_\_\_\_ day of \_\_\_\_\_, is in relation to the facility agreement dated [●] executed between [●] (“**Borrower**”) and the Existing Lender (“**Agreement**”).

Capitalised terms used but not defined herein shall have the meaning ascribed to the term in the Agreement.

2. The Existing Lender:

(A) confirms that, to the extent details appear below under the heading “**Rights and/ or Obligations to be Novated**”, those details accurately summarise the rights and/ or obligations which are to be novated and which are, upon execution of this Novation Deed shall stand cancelled and discharged in accordance with clause 25 (*Assignment and Transfer*) of the Agreement;

(B) confirms that any consent, if required, in accordance with clause 25 (*Assignment and Transfer*) of the Agreement has been obtained for this novation; and

(C) gives notice to the undersigned New Lender that the Existing Lender is under no obligation to repurchase all or any part of those rights and/ or obligations at any time or to support any losses suffered by the New Lender.

3. The undersigned New Lender agrees that it assumes and acquires new rights and/ or obligations in accordance with clause 25 (*Assignment and Transfer*) of the Agreement on and with effect from [●].

4. The New Lender:

(A) confirms that, until further notice, its Lending Office and details for communications are set out below;

(B) agrees to perform and comply with the obligations expressed to be imposed on it by clause 25 (*Transfer and Assignment*) of the Agreement as a result of this Novation Deed taking effect;

(C) acknowledges and accepts paragraph 2(C) above; and

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(E) confirms, on the basis of the facts then known to it, that this novation will not give rise to any requirement for any withholding or increased cost or other cost or expense to the Borrower which would not be incurred by the Borrower if the novation did not take place.

5. The above confirmations and documents are given to and for the benefit of and made with each of the other Parties to the Agreement.

### **Rights and/ or Obligations to be Novated**

The Existing Lender's commitment under the Facility to be novated: Rs. [●]/-.

Schedule 4 of the Agreement shall be amended and replaced as follows:

*[Insert amendment details]*

The provisions of clause 28 (*Governing Laws*) and clause 29 (*Jurisdiction*) of the Agreement shall apply mutatis mutandis to this Novation Deed.

### **For the Existing Lender**

Name:  
By:  
Authorized Signatory  
Date:

### **For the New Lender**

Name:  
Authorized Signatory  
Date:

### **Lending Office**

Address:  
Facsimile No.:  
Telex No.:  
Attention

#### **Regd. Office**

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## SCHEDULE 7

### FORM OF DEED OF ASSIGNMENT

THIS **ASSIGNMENT DEED** is made on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_ by and among:

**AXIS FINANCE LIMITED**, a non-banking financial company under the Reserve Bank of India Act, 1934, having its registered office at Axis House, Ground Floor, Wadia International Centre, Worli, Mumbai – 400025, and an office at [●] (hereinafter referred to as the “**Existing Lender**”, which expression shall, unless repugnant to the context or meaning thereof, include its successors, transferees, novatees and assigns); and

[**INSERT NAME OF NEW LENDER**], a company validly existing under the Companies Act, 2013 and having its registered office at [●] (hereinafter referred to as “**New Lender**”, which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors, assigns, transferees and novatees).

1. This Assignment Deed dated \_\_\_\_\_ day of \_\_\_\_\_, is in relation to the facility agreement dated [●] executed between [●] (“**Borrower**”) and the Existing Lender (“**Agreement**”).
2. Capitalised terms used but not defined herein shall have the meaning ascribed to the term in the Agreement. In this Assignment Deed, the capitalised terms shall have the following meanings:
  - (a) “**Purchase Consideration**” shall mean an amount of Rs. [●] to be paid by the New Lender to the Existing Lender as consideration for the assignment of Transferred Facility.
  - (b) “**Transfer Date**” shall mean the date on which the Purchase Consideration is paid by the New Lender to the Existing Lender.
4. The Existing Lender assigns absolutely to the New Lender, all the rights of the Existing Lender under the Agreement and other Financing Documents which relate to the Transferred Facility (*as defined below*) on and from the Transfer Date.
5. The Existing Lender and the New Lender hereby agrees with and confirms to the other parties to the Agreement as follows:
  - (a) on and from the Transfer Date, the rights of the Existing Lender are assigned to the New Lender in relation to the Facility to the extent of a sum of Rs. [●] (Rupees [●]) (hereinafter referred to as the “**Transferred Facility**”) and the rights of the Existing Lender in respect of the Transferred Facility shall stand cancelled and discharged;
  - (b) the New Lender shall be entitled to all the benefits and rights under the Financing Documents to the extent of Transferred Facility on and from the Transfer Date;
  - (c) the Existing Lender gives notice to the undersigned New Lender that the Existing Lender is under no obligation to repurchase all or any part of those rights in respect of Transferred Facility at any time nor to support/bear any losses suffered by the New Lender in respect of the Transferred Facility.
6. The New Lender agrees that it assumes and acquires the rights of the Existing Lender on and with effect from the Transfer Date in relation to Transferred Facility.
7. Nothing in any Financing Document obliges the Existing Lender to:
  - (a) accept a re-transfer or re-assignment from the New Lender of any of the rights assigned or transferred under clause 25 (*Assignment and Transfer*) of the Agreement; or

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- (b) support any losses, directly or indirectly incurred or suffered by the New Lender, by reason of the non-performance by the Borrower of its obligations under the Finance Documents or otherwise.

8. The New Lender:

- (a) confirms that until further notice as per the terms of the Agreement, its lending office and details for communications are set out below:

**Attention:** [•]

**Address:** [•]

**Email:** [•]

**Fax:** [•]

- (b) acknowledges and accepts the contents of this Assignment Deed and agrees and confirms that the New Lender shall acquire the same rights in respect of Transferred Facility as regards the Borrower as it would have acquired, had that New Lender been an original party to the Agreement and the other Financing Documents as a Lender with the rights acquired by it as a result of this assignment taking effect (and, to that extent, the Existing Lender shall be released from further obligations to all persons to the extent of the assignment to the New Lender);
- (c) agrees to be bound by the Agreement and the other Financing Documents;
- (d) agrees and confirms that the transfer shall not give rise to any requirement for any withholding or increased cost or other cost or expense to the Borrower which would not have been incurred by the Borrower if the assignment did not take place; and
- (e) agrees with each other person who is or who becomes a party to the Agreement and the other Financing Documents that on and from the Transfer Date it will be bound by the Agreement and other Financing Documents as a Lender as if it had been party to the Agreement and the Financing Documents as a Lender.

10. The above confirmations are given to and for the benefit of and made with each of the other parties to the Agreement and other Financing Documents.

11. The provisions of clause 28 (*Governing Laws*) and clause 29 (*Jurisdiction*) of the Agreement shall apply mutatis mutandis to this Assignment Deed.

Yours faithfully,

**For the Existing Lender**

Name:

By:  
(Authorised Signatory)

Date: [•]

**For the New Lender**

Name:

By:

**Regd. Office**

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(Authorised Signatory)  
Date: [●]

## SCHEDULE 8

### FORMAT OF TRANSFER REQUEST LETTER

*[on the letterhead of the Borrower]*

To,  
Axis Finance Limited  
*[insert address]*  
("Existing Lender")

Attn: *[insert name of the relevant official of Existing Lender]*

Re: Term loan facility aggregating up to INR [●] ("Facility") extended inter alia by the Existing Lender to [●] ("**Borrower**") pursuant to the facility agreement dated [●] executed between the Borrower and the Existing Lender ("Facility Agreement").

Dear Sir,

1. We refer to the Facility Agreement (including any amendments, modifications and supplements thereto and assignments or novations thereof) and all financing and security documents entered pursuant to the Facility Agreement (collectively "**Transaction Documents**").
2. The Existing lender had sanctioned the Facility to the extent of INR [●].
3. Basis our request, [●] has agreed to participate in the Facility to an extent of INR [●] ("**Assigned Facility**") on the same terms and conditions stipulated under the Transaction Documents.
4. We accordingly request the Existing Lender to allow the New Lender to participate in the Facility and assign / novate its rights, title, interest and obligations in the Facility to the extent of the Assigned Facility along with their rights and interest under the Transaction Documents (including the underlying security) to the extent of the Assigned Facility.
5. We agree to provide such assistance and information as may be requested by the Existing Lender and/or the New Lender for the aforementioned transfer and assignment.

Yours sincerely,

[Insert name and designation of the signatory]  
For [Insert name of the Borrower]

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## ANNEXURE 1 TO THE FACILITY AGREEMENT

### Key Facts Statement

Unique Proposal Number \_\_\_\_\_

#### Part 1 (Interest rate and fees/charges)

|          |  |                        |  |  |   |  |         |             |
|----------|--|------------------------|--|--|---|--|---------|-------------|
| <b>1</b> | <b>Loan proposal/<br/>account No.</b>  |                        | <b>Type of Loan</b>  |  |   |  |         |             |
| <b>2</b> | <b>Sanctioned Loan amount (in Rupees)</b>  |                        |  |  |   |  |         |             |
| <b>3</b> | <b>Disbursal schedule</b><br>(i) Disbursement in stages or 100% upfront.<br>(ii) If it is stage wise, mention the clause of loan agreement having relevant details |                        | (i) <sup>1</sup><br>(ii) <sup>2</sup>                            |  |   |  |         |             |
| <b>4</b> | <b>Loan Term (year/month/days)</b>   |                        |  |  |   |  |         |             |
| <b>5</b> | <b>Instalment details</b>  |                        |  |  |   |  |         |             |
|          | Types of Instalments   | Number of EPIs         | EPI (₹)  | Commencement of Repayment, post sanction |   |  |         |             |
|          |  |                        |  |  |   |  |         |             |
| <b>6</b> | <b>Interest rate (%) and type (fixed or floating or hybrid)</b>  |                        |  |  |   |  |         |             |
| <b>7</b> | <b>Additional Information in case of Floating rate of interest</b>   |                        |  |  |   |  |         |             |
|          | Reference Benchmark  | Benchmark Rate (%) (B) | Spread (%) (S)   | Final Rate (%)<br>R= (B)+(S)             | Reset periodicity <sup>3</sup> (Months) | Impact of change in the reference benchmark (for 25 bps change in 'R', change in:) |         |             |
|          |  |                        |  |  | B                                       | S  | EPI (₹) | No. of EPIs |
|          |  |                        |  |  |   |  |         |             |
| <b>8</b> | <b>Fee/Charges<sup>4</sup></b>   |                        |  |  |   |  |         |             |
|          |  | Payable to the RE (A)  |  |  | Payable to a third party through RE (B) |  |         |             |
|          |  | One-time/<br>Recurring | Amount (in ₹) or<br>Percentage (%) as<br>applicable <sup>5</sup> |  | One-time/<br>Recurring                  | Amount (in ₹) or<br>Percentage (%) as<br>applicable                                |         |             |

<sup>1</sup> To be specified for each Facility

<sup>2</sup> This is inserted since these are the relevant clauses referring to disbursement in stages/tranches.

<sup>3</sup> Fixed reset, other than on account of changes in credit profile

<sup>4</sup> REs may disclose the amount net of any taxes such as GST

<sup>5</sup> Mention Frequency, where recurring.

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|           |  |  |  |  |   |
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| (i)       | Processing Charges   |  |  |  |   |
| (ii)      | Insurance charges  |  |  |  |   |
| (iii)     | Valuation fees   |  |  |  |   |
| (iv)      | Any other (please specify) <sup>6</sup>                            |  |  |  |   |
| <b>9</b>  | <b>Annual Percentage Rate (APR) (%)</b>                            |  |  |  |   |
| <b>10</b> | <b>Details of Contingent Charges (in ₹ or in %, as applicable)</b> |  |  |  |   |
| (i)       | <b>Penal charges, if any, in case of delayed payment</b>           |  |  |  |   |
| (ii)      | Other penal charges, if any  |  |  |  |   |
| (iii)     | Foreclosure or pre-payment charges, if applicable                  |  |  |  | <p><b>Charges and conditions for:</b></p> <p><b>1.Part-Prepayment (on the amount being part paid)</b></p> <p><b>2.Foreclosure (Full Pre-Payment) on the total loan outstanding / current limit (Available limit + Utilized limit in case of overdraft)</b></p> <p><b>1. Applicable for Facilities where the Interest Rate is Fixed Rate:</b></p> <p><u>Pre-payment/</u><br/> <u>Foreclosure charges:</u><br/> 4% + Applicable Taxes<br/> <u>Part Pre-Payment and Foreclosure conditions:</u></p> <p>1) Part Pre-Payment / Foreclosure shall be permitted only after clearance of 12 EMI's.<br/> 2) Part- pre-payment will only be allowed twice</p> |

<sup>6</sup> All the charges proposed to be charged at any stage or in case of any contingency to be mentioned here.

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|  |  | <p>in a financial year and pre-payment of up to 25% of POS can only be accepted in a financial year.</p> <p>3) Amount Received as Part Pre-Payment/Foreclosure, will be adjusted against the Principal Outstanding and Part Pre-Payment/Foreclosure Charges</p> <p>4) For any Part Pre-Payment received adjustment will be given in Tenure and EMI amount will remain the same. (EMI Tenure would decrease; EMI Amount will remain the same).</p> <p><b>2. Applicable for Facilities where the Interest Rate is Floating Rate:</b></p> <p>I. For Facilities availed by Individuals, Micro and Small Enterprises: Pre-payment charges/foreclosure charges – NIL</p> <p>II. For Facilities other than those covered in 2. I. above:<br/> <u>Pre-payment/Foreclosure charges:</u><br/> Up to 3% + Applicable Taxes<br/> <u>Part Pre-Payment and Foreclosure conditions:</u></p> <p>1) Part Pre-Payment / Foreclosure shall be</p> |
|--|--|--|

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|      |   |   |
|------|---|---|
|      |   | <p>permitted only after clearance of 12 EMI's.</p> <p>2) Part- pre-payment will only be allowed twice in a financial year and pre-payment of up to 25% of POS can only be accepted in a financial year.</p> <p>3) Amount Received as Part Pre-Payment/ Foreclosure, will be adjusted against the Principal Outstanding and Part Pre-Payment/ Foreclosure Charges</p> <p>4) For any Part Pre-Payment received adjustment will be given in Tenure and EMI amount will remain the same. (EMI Tenure would decrease; EMI Amount will remain the same)</p> <p>III. The applicability of the prepayment charges shall be determined based on the classification of the Borrower's enterprise (i.e. Micro, Small or Medium) on the date of prepayment and for this purpose the Borrower must provide its latest Udyam Registration Certificate to the Lender when requesting the prepayment.</p> |
| (iv) | Charges for switching of loans from floating to fixed rate and vice versa |   |

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|     |                                    |  |
|-----|------------------------------------|--|
| (v) | Any other charges (please specify) |  |
|-----|------------------------------------|--|

## Part 2 (Other Qualitative Information)

|   |  |  |
|---|--|--|
| 1 | Clause of Loan agreement relating to engagement of recovery agents <sup>7</sup>  | As per clause 38 of the Facility Agreement   |
| 2 | Clause of Loan agreement which details grievance redressal mechanism <sup>8</sup>  | As per clause 39 of the Facility Agreement   |
| 3 | Phone number and email id of the nodal grievance redressal officer <sup>9</sup>  | Axis Finance Limited, Axis House, Ground Floor, Wadia International Centre, Worli, Mumbai- 400025, Attn: Grievance Redressal Officer-Ms. Preeti Singh, Email id- <a href="mailto:Preeti10.singh@axisfinance.in">Preeti10.singh@axisfinance.in</a> , Mobile No.- +91-8655749343 |
| 4 | Whether the loan is, or in future maybe, subject to transfer to other REs or securitisation (Yes/ No)  |  |
| 5 | In case of lending under collaborative lending arrangements (e.g., co-lending/ outsourcing), following additional details may be furnished:          |  |
|   | Name of the originating RE, along with its funding proportion  | Name of the partner RE along with its proportion of funding  |
|   |  | Blended rate of interest   |
| 6 | In case of digital loans, following specific disclosures may be furnished:   |  |
|   | (i) Cooling off/look-up period, in terms of RE's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan |  |
|   | (ii) Details of LSP acting as recovery agent and authorized to approach the borrower   |  |

<sup>7</sup> If no recovery agent is appointed then mention "No third party Recovery Agent is proposed to be appointed". In case it is proposed then a clause needs to be added in the Facility Agreement and reference of such clause needs to be given here.

<sup>8</sup> A clause should be added in the Facility Agreement explaining the Grievance Redressal Mechanism and reference to the same should be added.

<sup>9</sup> RE may furnish generic email id, provided a response is made within 1 working day.

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### Computation of APR

| Sr. No. | Parameter   | Details                   |
|---------|---|---------------------------|
| 1       | Sanctioned Loan amount (in Rupees) (SI no. 2 of the KFS – Part 1)   |                           |
| 2       | Loan Term (in years/ months/ days) (SI No.4 of the KFS – Part 1)  |                           |
| a)      | No. of instalments for payment of principal, in case of non-equated periodic loans  |                           |
| b)      | Type of EPI<br>Amount of each EPI (in Rupees) and nos. of EPIs (e.g., no. of EMIs in case of monthly instalments)<br>(SI No. 5 of the KFS – Part 1) |                           |
| c)      | No. of instalments for payment of capitalised interest, if any  |                           |
| d)      | Commencement of repayments, post sanction (SI No. 5 of the KFS – Part 1)  |                           |
| 3       | Interest rate type (fixed or floating or hybrid) (SI No. 6 of the KFS– Part 1)  |                           |
| 4       | Rate of Interest (SI No. 6 of the KFS – Part 1)   |                           |
| 5       | Total Interest Amount to be charged during the entire tenor of the loan as per the rate prevailing on sanction date (in Rupees)                     |                           |
| 6       | Fee/ Charges payable (in Rupees)  |                           |
| A       | Payable to the RE (SI No.8A of the KFS -Part 1)   |                           |
| B       | Payable to third-party routed through RE (SI No.8B of the KFS– Part 1)  |                           |
| 7       | Net disbursed amount (1-6) (in Rupees)  |                           |
| 8       | Total amount to be paid by the borrower (sum of 1 and 5)<br>(in Rupees)   |                           |
| 9       | Annual Percentage rate- Effective annualized interest rate (in percentage) <sup>10</sup> (SI No.9 of the KFS -Part 1)                               |                           |
| 10      | Schedule of disbursement as per terms and conditions  | As provided in Annexure 2 |
| 11      | Due date of payment of instalment and interest  |                           |

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**Annexure 2 to the Facility Agreement**  
**Disbursement Schedule<sup>11</sup>**

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<sup>11</sup> If there is a single tranche – mention single tranche. If there are multiple tranches, then mention the proposed schedule. If the proposed schedule is not fixed then mention “As may be requested by the Borrower during the Availability Period and as may be accepted by the Lender, from time to time”.

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## Annexure 3

### END USE DECLARATION

Date:

To,  
Axis Finance Limited ("**AFL**")

\_\_\_\_\_  
\_\_\_\_\_

**Sub: Declaration regarding end use of funds**

**Re: Facility under Facility Agreement dated \_\_\_\_\_ ("**Facility Agreement**");**

Dear Sir/Ma'am,

1. With reference to the facility sanctioned by AFL, pursuant to the Facility Agreement to me/us, for amount INR \_\_\_\_\_ ("**Facility**") and as stated in the Sanction Letter, I/We hereby undertake that the Facility sanctioned to me/us under the Facility Agreement shall be used solely for the following purpose ("**Purpose**"):

For business purposes / business use as under:

- |                          |                                      |
|--------------------------|--------------------------------------|
| <input type="checkbox"/> | (a) Purchase of residential property |
| <input type="checkbox"/> | (b) Purchase of commercial property  |
| <input type="checkbox"/> | (c) Other use, please specify: _____ |

*(Please tick/ fill up as applicable)*

2. I/We hereby expressly undertake and confirm that the aforesaid Purpose is a valid purpose and that I/We shall not utilise the Facility or any part thereof for any purpose other than the aforesaid Purpose.
3. Without prejudice to the generality of the foregoing, I/We hereby undertake and confirm that the Facility or any part thereof shall not be used and is not intended to be used for any of the following purposes:
  - (a) Any speculative purposes or speculative business or anti-social or illegal purposes or activities;
  - (b) Subscription to or purchase of the capital of any person (whether by way of subscription to or purchase of equity or preference shares, in case of a company/ body corporate, or bringing in capital as a partner in case of a partnership firm or limited liability partnership firm);
  - (c) Subscription to or purchase of debentures or any other debt instrument issued by any person;
  - (d) Making inter-corporate deposits;
  - (e) For buy back of shares or securities;
  - (f) Purchase of gold in any form;
  - (g) For purchase of land;
  - (h) For setting up of new units consuming/producing the Ozone Depleting Substances (ODS);
  - (i) For any purpose prohibited by the Reserve Bank of India, the Securities and Exchange Board of India or under the Foreign Exchange Management Act, 1999;
  - (j) For any other purpose or activities for which the Facility has not been extended.

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4. I/We declare that the Purpose of use of funds shall not be changed in any manner during the subsistence of the Facility Agreement.
5. I/We hereby agree that, without being obligated to do so, AFL shall be entitled to monitor the use/end use of the Facility including through any auditor(s) or consultant(s) with necessary certification from them, as may be appointed by AFL at its sole discretion at my/ our cost. AFL may at any time in its discretion also require me/ us to furnish a certificate issued by a statutory auditor/ chartered accountant or from such other person as AFL may require and in such form and manner as AFL may require, certifying that the Facility has been utilised by me/ us, solely for the Purpose specified above.
6. Without prejudice to the terms of the Facility Agreement, including Clause 19 thereof, I/We hereby agree to unconditionally and irrevocably indemnify AFL and its officers, representatives, employees, directors and agents against any claim, loss or expenses suffered or incurred by them as a result of: (i) the Facility being used for any purpose other than the Purpose in paragraph 1 hereof; (ii) the Facility being used for any of the purposes specified in paragraph 3 hereof; (iii) breach of any of the terms of this declaration.
7. I/ We hereby confirm that I/we have full right and authority to execute this declaration.

Yours truly,

\_\_\_\_\_  
Authorised Signatory/Borrower

Name of Borrower:

Name of the Authorised Signatory *(if applicable)*:

\_\_\_\_\_  
Authorised Signatory/Co-Borrower

Name of Co-Borrower:

Name of the Authorised Signatory *(if applicable)*:

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**IN WITNESS WHEREOF** the Parties have caused this Agreement to be executed on the day, month and year first herein above written:<sup>12</sup>

**SIGNED AND DELIVERED** by the duly authorised signatory Mr./Ms. \_\_\_\_\_ of **Borrower** [**Note:** *In case of a company*]

**SIGNED AND DELIVERED** by the duly authorised Partner Mr./Ms. \_\_\_\_\_ of **Borrower** [**Note:** *In case of a Partnership firm*]

**SIGNED AND DELIVERED** by the duly authorised Designated Partner Mr./Ms. \_\_\_\_\_ of **Borrower** [**Note:** *In case of an LLP*]

**SIGNED AND DELIVERED** by the Trustee Mr./Ms. \_\_\_\_\_ of **Borrower** [**Note:** *In case of a Trust*]

**SIGNED AND DELIVERED** by the authorised member Mr./Ms. \_\_\_\_\_ of **Borrower** [**Note:** *In case of a Society*]

**SIGNED AND DELIVERED** by the Trustee Mr./Ms. \_\_\_\_\_ of **Borrower** [**Note:** *In case of a Trust*]

**SIGNED AND DELIVERED** by Mr./Ms. \_\_\_\_\_ the **Borrower** or sole proprietor of the **Borrower** [**Note:** *In case of an Individual/ Sole Proprietorship firm*]

**SIGNED AND DELIVERED** by the duly authorised signatory Mr./Ms. \_\_\_\_\_ of **Co-Borrower** [**Note:** *In case of a company*]

**SIGNED AND DELIVERED** by the duly authorised Partner Mr./Ms. \_\_\_\_\_ of **Co-Borrower** [**Note:** *In case of a Partnership firm*]

\_\_\_\_\_  
<sup>12</sup> Retain as applicable



**SIGNED AND DELIVERED** by the duly authorised Designated Partner Mr./Ms. \_\_\_\_\_ of **Co-Borrower** [*Note: In case of a LLP*]

**SIGNED AND DELIVERED** by the Trustee Mr./Ms. \_\_\_\_\_ of **Co-Borrower** [*Note: In case of a Trust*]

**SIGNED AND DELIVERED** by the authorised member Mr./Ms. \_\_\_\_\_ of **Co-Borrower** [*Note: In case of a Society*]

**SIGNED AND DELIVERED** by the Trustee Mr./Ms. \_\_\_\_\_ of **Co-Borrower** [*Note: In case of a Trust*]

**SIGNED AND DELIVERED** by Mr./Ms. \_\_\_\_\_ the **Co-Borrower** or sole proprietor of the **Co-Borrower** [*Note: In case of an Individual/Sole Proprietorship firm*]

**SIGNED AND DELIVERED** by the duly authorised signatory Mr./Ms. \_\_\_\_\_ of **AXIS FINANCE LIMITED**

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