

ANNEXURE VI

(To be executed on a stamp paper of requisite value)

(This is a standard template. This may be customized on a case to case basis)

LOAN AGREEMENT

This **Loan Agreement** (“**Agreement**”) dated this ____ day of _____ 2010 executed by:

National Skill Development Corporation, a non-profit company, registered under the Companies Act, 1956, licensed under Section 25 of the same and having its registered office at D-4, Clarion Collection, Shaheed Jeet Singh Marg, New Delhi-110016, (hereinafter referred to as the "**Corporation**", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) acting through Mr. [____], [*please insert the name and designation*], duly authorized vide board resolution dated [*please insert the date*];

AND

_____ [*please insert the name of the firm/company/society/trust and address of the registered office*], (hereinafter referred to as "**Borrower**" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) acting through Mr. [____], [*please insert the name and designation*], duly authorized vide board resolution dated [*please insert the date*];

The Corporation and the Borrower are hereinafter individually referred to as a "**Party**", and collectively, as "**Parties**".

WHEREAS:

- a) The Corporation is established as a public private partnership with the object of developing unskilled and semi-skilled labour force into productive and skilled labour and to establish, manage, run and support institutes and polytechnics for achieving this objective. The primary activity of the Corporation is to utilize and manage the funds transferred to it by National Skill Development Fund (“NSDF”). These funds are invested by the Corporation into various skill development projects for achieving its objectivities.

- b) The Borrower is a company incorporated under Companies Act, 1956. [*please insert the details of the firm / company / society / trust*]
- c) The Borrower has submitted an Application/ Proposal to the Corporation for providing the funds to the tune of Rs. [___] which shall be further utilized by Borrower for meeting the Project Cost (mentioned in Schedule I) involved in implementing the Project (more particularly described in Schedule II).
- d) The objectives of the Corporation of developing unskilled and semi-skilled labour force into productive and skilled labour and including but not limited to establish, manage, run and support institutes for achieving these objectives, are common to the objectives for which Borrower has proposed to set up the Project. Therefore, to further its objectives, the Corporation has agreed to provide financial assistance of Rs. [___] (“**Assistance**”) as a loan to the Borrower which shall be used by Borrower for implementing the Project on such terms and conditions as contained hereinafter.
- e) The Parties hereto are desirous of recording the terms and conditions of their understanding specified herein this Agreement.

NOW THEREFORE, IN CONSIDERATION OF THE COVENANTS CONTAINED HEREINAFTER, THE PARTIES HEREBY AGREE AND THIS AGREEMENT WITNESSETH AS FOLLOWS:

DEFINITIONS:

- 1.1 In this Agreement, unless the context otherwise so requires, the following expressions shall have the meanings as set out against each of it, viz:
- (i) “**Acquired Assets**” shall mean the asset(s) that are acquired by the Borrower out of amount of the Assistance and includes any individual items comprised in the asset(s) and all spares, accessories, attachments, alterations, replacements and/or additions to the asset(s) or any item or any part thereof during the period of this Agreement;
 - (ii) “**Agreement**” shall refer to this Loan Agreement including all the annexures and schedules attached with it;
 - (iii) “**Applicable Rate(s)**” shall mean the applicable rate(s) of interest on any amount(s) payable under this Agreement, as specified in Schedule III;
 - (iv) “**Authority**” shall mean and include any applicable legislative body, regulatory or administrative authority, agency or commission, or any court,

board, bureau, instrumentality, tribunal, or judicial or quasi-judicial or arbitral body having authority of law

- (v) “**Bank Guarantee**” shall have the meaning assigned to it under Clause 4.1;
- (vi) “**Business Day**” shall mean a day on which the office of the Corporation as described in this Agreement, or such other office as may be notified by the Corporation to the Borrower, is open for normal business transactions;
- (vii) “**Constitutional Documents**” shall mean the Memorandum and Articles of Association of the Borrower or charter documents, as the case may be [*in case the Borrower is an entity other than a Company incorporated under the Companies Act, the charter documents of entity be mentioned herein*] ;
- (viii) “**Default Rate**” shall mean the rate of interest specified as the Default Rate in Schedule III hereto;
- (ix) “**Due Date**” shall mean, in respect of a Repayment Installment or an interest payment, the date on which the same falls due as stipulated in Schedule III hereto; or in case of any other amount payable under this Agreement and/or the other Facility Agreements, the date on which such amount falls due in terms of this Agreement and/or the other Facility Agreements;
- (x) “**Event of Default**” shall mean any or all of the events specified in Clause 8 hereof;
- (xi) “**Facility Agreements/Documents**” shall mean and include this Agreement, Project Approval issued by the Corporation in respect of the grant of the Assistance to the Borrower, Grant Agreement, Bank Guarantee, Power of Attorney, Mortgage Deed, Hypothecation Deed, Promissory Note and all or any other agreements, instruments, undertakings, deeds, writings and other documents executed or entered into, or to be executed or entered into by the Borrower and/or any other person (whether financing, security or otherwise) in relation to or pertaining to the transactions contemplated by or under this Agreement and/or the other Facility Agreements, as amended from time to time;
- (xii) “**Governing Law**” shall refer to the laws of India as may be amended from time to time;
- (xiii) “**Hypothecation Deed**” shall mean the deed to be entered between the Corporation and the Borrower for the purpose of creation of charge on the hypothecated assets of Borrower for securing the repayment of Assistance,

the format of which is attached to the Manual as Annexure IX;

- (xiv) **“Indebtedness”** means any indebtedness whatsoever of the Borrower at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, credits, deposits, hire purchase and leasing);
- (xv) **“Interest Payment Date(s)”** shall mean the date(s) for payment of interest as specified in Schedule III hereto;
- (xvi) **“Law”** shall mean and include any statute, law, treaties, rule, regulation, ordinance, guideline, notification or any requirement, restriction, authorisation, order, directive, permit, judgment, decree having the force of law, or any interpretation of any of the foregoing by any Court or any Authority, whether in effect as on the date hereof or thereafter and shall include any re-enactment, substitution or amendment thereof that is applicable to any transactions contemplated herein and/or to any of the Parties to this Agreement. The term ‘Law’ shall not include the Governing Law;
- (xvii) **“Material Adverse Effect”** shall mean the effect or consequence of any event or circumstance which, in the opinion of the Corporation, is or is likely to be detrimental to or to adversely affect (i) the ability of the Borrower or any person to perform or comply with any of their respective obligations under this Agreement and/or the other Facility Agreements; (ii) or endanger the Acquired Assets and/ or secured assets in any manner;
- (xviii) **“Mortgage Deed”** shall mean the deed to be entered between the Corporation and Borrower for the purpose of creation of charge on certain immovable assets of Borrower for securing the repayment of Assistance, the format of which is attached to the Manual as Annexure VIII;
- (xix) **“Power of Attorney”** refers to the power of attorney issued by Borrower in favour of the Corporation authorizing it to sell Borrower’s hypothecated and mortgaged assets in case of default under the Agreement, the format of which is attached to the Manual as Annexure XI;
- (xx) **“Project Approval”** shall mean the approval granted by the Corporation in response to the Project Proposal mentioning inter-alia the amount and categories under which the funds sought by the Borrower shall be disbursed, repayment schedule of the loan amount, conditions on utilization of funds;
- (xxi) **“Project Documents”** shall mean all the manuals, records, registers and all

other documents maintained by Borrower in relation to the implementation and progress of the Project;

- (xxii) **“Project Monitor”** shall mean an authorized person or agency appointed from time to time by the Corporation for the purpose of monitoring and inspection of the implementation of the Project;
- (xxiii) **“Project Proposal”** shall mean the application/proposal submitted by the Borrower, a copy of which is annexed in Schedule IV, seeking the grant of the funds required for implementation of the Project mentioning inter-alia the project cost, manner of scaling down of the project cost, stage-wise implementation of the Project, benefits from the Project etc.;
- (xxiv) **“Purpose/Project”** means the purpose(s) /project(s) for which the Assistance has been availed by /granted to the Borrower from/by the Corporation and which is/are more particularly specified in Schedule II hereto.
- (xxv) **“Repayment Installment(s)”** shall mean installment(s) of the Assistance to be repaid together with taxes as applicable, on the Due Date(s) as specified in the Repayment Schedule;
- (xxvi) **“Repayment Schedule”** shall mean the repayment schedule set out in Schedule III hereto specifying Due Date(s) and Repayment Installment(s) and Interest Payment Amounts and Dates;
- (xxvii) **“Security Agreements”** refers to Hypothecation Deed and Mortgage Deed;
- (xxviii) **“Taxes”** shall mean and include all present and future taxes, levies, imposts, duties or charges of a similar nature, including, without limitation, any corporation, capital gains, income, withholding taxes, gross receipts, franchise, transfer, sales, use, business, occupation, transaction, purchase, value added, excise, goods and services, real or personal property, stamp duty or other taxes whatsoever imposed or exempted by any Authority together with interest thereon and penalties in respect thereof and “Taxation” shall be construed accordingly;
- (xxix) **“Term”** shall have the meaning ascribed to it under Clause 9.1.

1.2 Interpretation:

- (i) In this Agreement, unless the contrary intention appears a reference to: **“agreement / document / undertaking / deed / instrument / indenture /**

writing” includes all amendments made thereto from time to time as also all schedules, annexures and appendices thereto;

“amendment” includes a supplement, modification, novation, replacement or re-enactment and **"amended"** is to be construed accordingly;

"authorisation" includes an authorisation, consent, clearance, approval, permission, resolution, licence, exemption, filing and registration;

the words **“drawals”**, **“draw”** and **“drawn”** shall include disbursements/drawings from time to time under the Assistance and/or issuance of guarantees;

“person” includes an individual, statutory corporation, body corporate, partnership, joint venture, association of persons, society, trust, juridical person, government, or any agency, department, authority or political subdivision thereof, international organisation, agency or authority whether or not having separate legal identity, and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;

“Sub-clause, Clause or Schedule” shall denote a reference to such Sub-clause, Clause or Schedule as specified, of this Agreement;

- (ii) the singular includes the plural (and vice versa);
- (iii) the index and the headings in this Agreement are inserted for convenience of reference only and are to be ignored in construing and interpreting this Agreement;
- (iv) reference to the words **“include”** or **“including”** shall be construed without limitation;
- (v) reference to a gender shall include the female, male and neutral genders;
- (vi) all approvals, permissions, consents or acceptance required from the Corporation for any matter shall require the **“prior”**, **“written”** approval, permission, consent or acceptance of the Corporation;
- (vii) reference to a **"month"** is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;

- (viii) in the event of any disagreement or dispute between the terms and conditions of this Agreement and the sanction letter and any other agreement entered into between the Parties pursuant to this Agreement, the terms and conditions as per this Agreement shall prevail.
- (ix) in the event of any disagreement or dispute between the Corporation and the Borrower regarding 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, the opinion of the Corporation as to the materiality or reasonableness of any of the foregoing shall be final and binding on the Borrower.

II. TERMS OF THE ASSISTANCE

2.1

- (i) The Corporation hereby agrees to lend and advance to the Borrower and the Borrower hereby agrees to avail the Assistance on the terms and conditions contained in this Agreement and the other Facility Agreements.
- (ii) The Assistance provided to the Borrower shall be used by the Borrower solely for the Purpose/Project.
- (iii) The Borrower shall not apply and/or obtain further Assistance/loan/equity participation in respect of the Purpose/Project without prior written permission of the Corporation;
- (iv) The Borrower undertakes that the Assistance shall not be used for payment of any outstanding loan or debts, due to any other person;
- (v) Disbursements under the Assistance shall be made by the Corporation in ___ (*please give the details*) installments, subject to fulfillment of pre disbursement conditions by the Borrower and subject to the Borrower complying with the provisions of this Agreement and the disbursement procedure stipulated by the Corporation and the expenditure incurred being in consonance with the details mentioned herein/approved by the Corporation. The disbursements shall be credited by the Corporation into a separate bank account opened by the Borrower solely for the funds disbursed under this Agreement. All the collection/ remittance/ other charges in relation to obtaining the Assistance will be borne by the Borrower;
- (vi) The Borrower shall provide the Corporation with at least ___ days [___ Days] prior notice of drawdown of each installment of the Assistance;
- (vii) After disbursement of the first installment of Assistance as per the

disbursement schedule provided in Schedule III of this Agreement, the Borrower shall start purchasing the equipments, machineries as per the utilization schedule provided in Schedule III;

- (viii) Subsequent to the purchase of the equipments/machineries as stated above, the Borrower shall provide to the Corporation, documentary proof evidencing purchase of equipments/machineries along with the proof evidencing that the equipment so purchased are brand new and duly approved in writing by the Corporation or its authorized representatives or agents;
- (ix) Any interest accrued on the Assistance disbursed by the Corporation in the bank account of the Borrower where the Assistance was credited under this Agreement shall be accounted for and used solely for the purposes of the Project.
- (x) Any revenues earned by the Borrower from the Project activities shall be accounted for and used solely for the Project purposes;
- (xi) The Borrower shall repay the Assistance in the manner and on the Due Date(s) as specified in the Repayment Schedule set out in Schedule III;
- (xii) The Borrower can prepay the Assistance or any portion thereof at any time with prior intimation to the Corporation;
- (xiii) The Corporation shall be entitled to appoint, from time to time, a nominee director on the board of directors of the Borrower. Such director is hereinafter referred to as “the Nominee Director”. Such Nominee Director shall not be required to hold qualification shares nor be liable to retire by rotation and shall be entitled to receive such reasonable remuneration, fees, commission and monies as may be approved by the Corporation. The presence of such Nominee Director shall be mandatory to form a valid quorum in the board meetings of Borrower and the resolutions placed before the board of the Borrower shall require an affirmative vote of the Nominee Director, unless such presence is waived by the Corporation in writing;
- (xiv) The Borrower agrees that the Corporation and/ or the ‘Project Monitor’ appointed by the Corporation from time to time shall have the right to monitor/ inspect the implementation, stages and the progress of the Project.
- (xv) The Borrower agrees that if as a result of review by the Corporation or ‘Project Monitor’, the Corporation is of the opinion that the Borrower has not implemented/nor is likely to implement the Project within the project cost as provided in Schedule I and/or in accordance with the financing plan and/or the Borrower has not purchased the Acquired Assets and/or the Borrower has not commenced/nor is likely to commence its activities as per the utilization schedule mentioned in Schedule III hereto, the Corporation

shall be entitled, at its sole discretion to revise the Repayment Schedule as the case may be and/or cancel the remaining disbursements in case the review is done prior to remaining disbursement, and/or cancel or terminate this Agreement and/or to initiate appropriate legal proceedings for the material breach.

2.2 Interest Obligations of Borrower

- (i) The Borrower shall pay to the Corporation, interest on the outstanding amount from time to time at the Applicable Rate(s) in the manner and on the date(s) as specified in Schedule III hereto.
- (ii) All other payments made/actual expenses incurred by the Corporation in terms of this Agreement and/or any other Facility Agreements shall be reimbursed /repaid by the Borrower together with interest thereon at the Applicable Rate(s) specified in Schedule III hereof, calculated from the respective date(s) of payments made/expenses incurred by the Corporation till the date of reimbursement/payment thereof, within 15 days of the date of notice of demand by the Corporation;
- (iii) All obligations of the Borrower under this Agreement and/or any other Facility Agreements, including, without limitation, the payment of Repayment Installments, interest, fees, damages, reimbursements or otherwise together with all interest, costs, charges, expenses and all other monies payable by the Borrower in respect thereof (hereinafter collectively referred to as "**the Secured Obligations**") shall, in case the same is not paid on the respective Due Date(s), carry further interest at the Default Rate, or at the Applicable Rate(s), whichever is higher. Such interest shall be computed from the respective Due Date(s) and shall become payable upon the footing of compound interest with monthly or such other interests as may be prescribed by the Corporation from time to time, till the date of payment by the Borrower. However, the Corporation may at its sole discretion waive the payment of interests at the Default Rate for the reasons to be recorded in writing;

2.3 The Borrower's responsibility to pay the Secured Obligations payable under or pursuant to this Agreement shall be absolute and shall not be affected by any circumstances, including, without limitation:

- (i) any set-off, counterclaim, recoupment, defence or other right which the Borrower may have against the Corporation, or any other person for any reason whatsoever;

- (ii) any insolvency, bankruptcy, reorganization or similar proceedings by or against the Borrower;
- (iii) any other circumstances, happening or event whatsoever whether or not similar to any of the foregoing.

2.4 All payments by the Borrower under this Agreement and/or other Facility Agreements shall be so paid to enable the Corporation to realise, at par, the amount on or before the due date and shall be made free and clear of and without any deduction on any account, except to the extent that the Borrower is required by Law to make payment subject to any Taxes. If any Tax or amounts in respect of Tax must be deducted, or any other deductions must be made, from any amounts payable or paid by the Borrower, the Borrower, shall pay such additional amounts as may be necessary to ensure that the Corporation receives a net amount equal to the full amount which it would have received had payment not been made subject to Tax or other deduction. Provided that, all Taxes required by Law to be deducted by the Borrower from any amounts paid or payable under this Agreement shall be paid by the Borrower when due and the Borrower shall within 30 days of the payment being made, deliver to the Corporation evidence satisfactory to the Corporation (including all relevant Tax receipts in originals) that the payment has been duly remitted to the appropriate authority.

2.5 (i) All interest payable under or pursuant to this Agreement are exclusive of charges payable by the Borrower towards tax on interest and /or any other levy/charges as may be levied by any Authority from time to time;

(ii) Interest and all other charges shall accrue from day to day and shall be computed on the basis of 365 days and the actual number of days elapsed.

2.6 The Borrower shall pay all interest, tax, service tax, all other imposts, duties (including stamp duty and relevant registration and filing charges in connection with this Agreement and / or any other Facility Agreements) and Taxes (of any description whatsoever) as may be levied from time to time by any Authority in respect of or in connection with the Assistance, this Agreement and / or any other Facility Agreements. The Borrower shall also pay all costs, charges, fees, stamp duty, registration fees, expenses in any way incurred or payable by the Corporation in respect of or in connection with the Assistance, this Agreement and/or any other Facility Agreements.

- 2.7 All monies due and payable by the Borrower to the Corporation pursuant to this Agreement shall be paid by cheque or bank draft drawn in favour of the Corporation on a scheduled (non co-operative) bank having their branch at [____]. Credit for all payments by cheque/bank draft will be given only on realisation thereof by the Corporation or on the Due Date to which the payment relates, whichever is later. Provided however, if the Due Date in respect of any monies payable under or pursuant to this Agreement falls on a Saturday or a day which is not a Business Day, the immediately preceding Business Day shall be the Due Date for such payment. All charges for collection shall be debited to the Borrower.
- 2.8 A statement signed by an officer of the Corporation certifying the amount of any payment(s) including any interest thereon payable under this Agreement and/or any other Facility Agreements and/or any loss or damage incurred or sustained by the Corporation, shall be final and binding on the Borrower.
- 2.9 Appropriation of payments
- (i) Any payments due and payable under or pursuant to this Agreement and/or any other Facility Agreements and made by the Borrower shall be appropriated towards such dues in the following order viz:
 - (a) Interest on costs, charges and other expenses;
 - (b) Costs, charges and other expenses;
 - (c) Default Interest on arrears;
 - (d) Interest on the Assistance including Additional Interest till creation of security;
 - (e) Repayment Installments;
 - (ii) Notwithstanding anything contained in Clause (i) hereinabove, the Corporation may, at its discretion, appropriate such payments towards the dues, if any, payable by the Borrower in respect of any other assistance(s) availed of by the Borrower from the Corporation in the order specified in the relative agreement(s).

III. SECURITY

- 3.1 The Secured Obligations shall inter-alia be secured by creation of charge in favour of the Corporation on moveable and immovable assets of the Borrower, in accordance with the terms of Security Agreements;
- 3.2 If, at any time during the subsistence of the Agreement, the Corporation is of the opinion that the security provided by the Borrower have become inadequate in terms of Security Agreements, to cover the Secured Obligations then outstanding, the Corporation shall advise the Borrower as the case may be. The Borrower shall, if need be, provide and furnish to the Corporation, such additional security as may be acceptable to the satisfaction of the Corporation to cover such deficiency.
- 3.3 The Borrower undertakes to provide the Power of Attorney in favour of the Corporation giving the right of sale of mortgaged assets and hypothecated assets in case there is a default in repayment of Assistance;
- 3.4 In addition to and not in substitution for or derogation of any other security, the Borrower also undertakes to issue standing ECS instructions to its banker in respect of the bank account where the revenues from its operations are credited. That the instructions should state “ that Rs. [____] (based on the loan repayment schedule) shall be credited on _____*[please insert the date]* to the account of the Corporation”. In addition, the Borrower shall also be required to provide post dated cheques (“PDCs”) from their respective bank accounts for an amount equivalent to the Repayment Installment (based on the loan repayment schedule). On the Due Date(s), the amount equivalent to the Repayment Installment would be debited from the bank accounts in the following order of priority:
- (a) Automatic debit from Borrower’s bank account based on its ECS instructions;
 - (b) If at any time the ECS is withdrawn and/or cancelled by the Borrower, PDC provided by the Borrower in respect of the relevant Repayment Installment shall be encashed.
- 3.5 The Corporation shall have the right at its sole discretion, to commence appropriate proceedings under Law in case PDCs provided in Clause 3.4 are returned because of insufficient or no balance in the bank account, or stop payment instructions from which the PDCs were issued by Borrower.

3.6 In addition to the above securities, the Borrower shall also provide a demand promissory note, the format of which is annexed to the Manual as Annexure XII (“Borrower’s Demand Promissory Note”) thereby unconditionally undertaking to pay on demand of the Corporation Rs. _____ [*Assistance Amount*] together with interest thereon at the rate of ____%. The Borrower undertakes to execute any other agreements, instruments, undertakings, deeds, writings and other documents required to be executed or entered into by the Borrower and/or any other person (whether financing, security or otherwise) in relation to or pertaining to the transactions contemplated by or under this Agreement and/or the other Facility Agreements.

3.7 Continuing Security:

The security hereunder created or created under any Facility Agreements in terms of this Agreement shall be and remain as a continuing security to the Corporation and accordingly shall:

- (i) be binding upon the Borrower, their respective successors in title;
- (ii) extend to cover the Borrower’s Indebtedness hereunder or otherwise;
- (iii) not be discharged by any intermediate payment by the Borrower or any settlement of accounts between the Borrower and the Corporation;
- (iv) be in addition to and not in substitution for or derogation of any other security which the Corporation may at any time hold in respect of the Borrower’s Indebtedness/obligations hereunder; and
- (v) be security for all amounts due and payable by the Borrower for all monies due by the Borrower to the Corporation, whether under this Agreement or otherwise.

IV. BANK GUARANTEE

- 4.1 The Borrower shall provide an irrevocable and unconditional bank guarantee through [*name of the Bank*] to the Corporation for an amount of Rs. [____] as the case may be;

V. PRE-DISBURSEMENT CONDITIONS

- 5.1 The Borrower shall comply with the following conditions prior to the first disbursement under the Assistance:
- i. Execution of the Agreement, Security Agreements and other Facility Agreements;
 - ii. Opening of a separate bank account solely for the purpose of crediting the funds disbursed under this Agreement;
 - iii. Submission of IT clearance u/s 281 of Income Tax Act, 1961. The Borrower shall provide an auditor's certificate to this effect prior to disbursement, and provide the clearance from Income Tax Department within 21 days from date of first disbursement;
 - iv. Submission and finalization of the utilization schedule and Repayment Schedule;
 - v. Submission of annual plan and budget for the forthcoming financial year;
 - vi. Submission of resolution passed in general meeting under section 293 (1)(d) for borrowing power; (*In case the Assistance does not exceed the aggregate of paid up share capital and free reserves, then the Borrower shall have to pass a board resolution in place of resolution passed in general meeting*)
 - vii. Submission of copies of Letter of Intents/ Memorandum of Understanding with the suppliers of machineries, equipments or any

other assets as the case may be etc. and the concerned service providers for provisioning the services necessary for implementing the Project which imposes an obligation on the suppliers to provide the same;

- viii. Submission of necessary undertakings immediately upon receipt of Assistance but not later than 15 days from the receipt of Assistance, on a case to case basis;
- ix. Completing, rectifying, remedying and removing any defect in any documents as may be necessary or expedient for the purpose of perfecting/better effecting the charge and/or mortgage created /to be created in favour of the Corporation on the hypothecated assets and mortgaged assets as the case may be;
- x. Furnishing the documents evidencing that the hypothecated assets and mortgaged assets are suitably insured to Corporation's satisfaction. In case the hypothecated assets are not insured then the Corporation shall have the right to obtain the insurance and the Borrower shall reimburse the amount along with all costs, charges and expenses;
- xi. Furnishing an undertaking that the assets secured under this Agreement shall not be hypothecated or mortgaged;
- xii. Proving to the satisfaction of the Corporation that it has necessary and adequate managerial ability and experience to execute the Project.
- xiii. Proving to the satisfaction of the Corporation that it has deposited their contribution as per the project proposal in a separate bank account as provided hereinabove under clause 5.1(ii), as the case may be.

5.2 The Borrower shall comply with the following conditions prior to all disbursements subsequent to the first disbursement under this Agreement:

- (i) Furnishing to the Corporation the quarterly utilization certificate duly audited by the statutory auditor along with copies of invoices and bank statements certifying that the earlier disbursement has been utilized for the Project in the manner, within the time frame and in accordance with the terms and conditions on which it was sanctioned.

- (ii) Providing an undertaking to the Corporation that all information/documents as may be required by the Corporation for releasing subsequent disbursement have been furnished and that all the terms and conditions of this Agreement on which the earlier disbursement was granted have been complied with.
- (iii) Obtaining suitable insurances on the Acquired Assets purchased from the amount of Assistance already disbursed to the Corporation's satisfaction and providing to the Corporation documentary evidence that insurances have been duly obtained;
- (iv) Submission of annual plan and budget for the forthcoming financial year.

5.3 If any of the pre disbursement conditions as stated above are not fulfilled by the Borrower to the complete satisfaction of the Corporation (to the extent they are not waived by the Corporation in writing) or granted further extension, this Agreement shall thereupon terminate and the Borrower shall not be entitled to avail any Assistance/ or to make any claim whatsoever on or from the Corporation.

VI. BORROWER'S REPRESENTATIONS AND WARRANTIES

- 6.1 The Borrower hereby makes the following representations, warranties and confirmations; and states that the same are true, correct, valid and subsisting in every respect as on the date of this Agreement and shall remain true, correct, valid and subsisting in every respect as on the date of each disbursement by the Corporation hereunder, and as on each Due Date:-
- (i) It is duly incorporated and validly existing under the Laws of India and has the corporate power to own its assets, conduct its business as presently conducted and to enter into and ensure performance of its obligations under this Agreement.
 - (ii) The execution of this Agreement and implementation of the Project is not in conflict/violation of it's Articles of Association and

Memorandum of Association [*in case of any other legal entity, the charter documents of the entity*];

- (iii) All authorizations as are necessary for the execution of this Agreement and the other Facility Agreements for and on its behalf are in full force and effect.
- (iv) All information provided by the Borrower to the Corporation, including any information provided in Project Proposal for advancing the Assistance is true, bonafide and accurate in all material respects, is not misleading and does not omit any material fact, the omission of which would make any fact or statement therein misleading.
- (v) All acts, conditions and things required to be done, fulfilled or performed, and all authorizations required or essential, for the Project or for the entry and delivery of this Agreement and/or the other Facility Agreements, or for the performance of it's obligations thereunder, have been done, fulfilled, obtained, effected and performed and are in full force and effect and no such authorization has been, or is threatened to be, revoked or cancelled;
- (vi) All insurances and other legal dues including Taxes on the hypothecated assets and mortgaged assets of the Borrower are in full force and effect.
- (vii) It is in compliance in all respects with all Laws and regulations affecting its assets, the Project and its business and operations;
- (viii) The entry into, delivery and performance by it of the transactions contemplated by this Agreement and the other Facility Agreements do not and will not conflict with any Law, or with the provisions of any document which is binding on it or any of its assets;
- (ix) It is not in default of, or in breach of any of the terms of this Agreement and/or any of the other Facility Agreements; and no Event of Default is subsisting, nor is there any event or circumstance subsisting which constitutes, or is likely to constitute an Event of Default and/or a default under any document binding on the Borrower or any of its assets;
- (x) It is not in arrears of any public demands such as income tax, service tax, corporation tax or any other taxes or any other statutory dues payable to any Authority;
- (xi) It is not entitled to and will not claim immunity for itself or any of its assets from suit, execution of a decree, attachment or other legal process in any proceedings in relation to this Agreement and/or the other Facility Agreements;

- (xii) The choice of Governing Law and jurisdiction of the Courts as specified in this Agreement is irrevocable and legal, valid and binding on it under Indian Law;
- (xiii) No litigation, arbitration, administrative or other proceedings are pending or threatened against it, its assets, which, if adversely determined, might have a Material Adverse Effect;
- (xiv) It has not entered into any material agreement in connection with the Project that has not been disclosed in writing to the Corporation. All Project Documents and/or copies thereof have been provided to the Corporation. All such Project Documents /copies were, as on the date of delivery, true, accurate and up to date and no change/amendment whatsoever has occurred in the same after such date and till the date hereof;
- (xv) It duly owns or holds and/or applied for valid and subsisting licenses in respect of all trade names, trademarks, patents, designs and other intellectual property used or intended to be used for the Purpose and the same are duly registered in its name and have not become voidable.

6.2 The Borrower further warrants that it is in compliance with all applicable environmental laws, and has obtained all authorizations all other material consents, licenses, franchisees, permits as may be necessary for the Project and/or for the carrying on of it's business and the same are valid and subsisting and have not become voidable. There is no material claim and/or action initiated/pending against the Borrower in this connection.

VII. BORROWER'S COVENANTS

- 7.1 During the subsistence of this Agreement and till the Secured Obligations are duly paid by the Borrower, the Borrower shall:
- (i) Promptly notify the Corporation:
 - (a) of any event or circumstance which would, or is likely to, result in any of the representations and warranties made by it hereunder becoming untrue, incorrect or misleading in any manner;
 - (b) of any circumstance or event which would, or is likely to interfere in/prevent/delay the proper implementation of the Project, or which

may result in substantial overrun in the original estimate of costs, or of the happening of any labour strikes, lockouts, shut-downs, fires or other similar happenings likely to have a Material Adverse Effect, along with all details/documents as may be required by the Corporation;

- (c) of any material loss or damage which it may suffer due to any event, circumstances or act of God;
 - (d) of any action or steps taken or legal proceedings started by or against it in any court of law for its winding-up, dissolution, insolvency, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it of any or all of its assets;
 - (e) of any litigation, arbitration or administrative proceedings initiated or threatened against it or the secured assets or Acquired Assets, in respect of a claim in excess of Rs. 10,00,000/- (Rupees Ten lakhs only);
 - (f) of any action or event pertaining to or having the effect of revocation, repudiation, denial or cancellation of any authorisation.
- (ii) Deliver to the Corporation:
- (a) its audited Balance Sheet and Profit and Loss Account by October 15 every year or within 15 days of completion of annual audit, whichever is earlier along with the reasons for variance with the budget;
 - (b) provisional quarterly financial results adopted by the board of Directors within 15 days;
 - (c) utilization certificates within 15 days of end of each quarter commencing from the first drawdown, duly audited by the statutory auditor along with copy of invoices and bank statements certifying that the disbursements have been utilized for the Project in the manner, within the time frame and in accordance with the terms and conditions on which it was sanctioned;
 - (d) copies of any notice received by the Borrower, pertaining to any termination or proposed termination of any material contracts, material defaults, demands or claims made against the Borrower or any of its assets, which could have a Material Adverse Effect;

- (e) copies of all documents despatched by the Borrower to all its secured creditors (or any general class of them) at the same time as they are despatched;
 - (f) copies of all insurance policies obtained for insuring the hypothecated assets and mortgaged assets purchased by Borrower out of the disbursements;
 - (g) regular progress/ review reports on half yearly basis, to the satisfaction of the Corporation, on any matter as may be required, as also any other reports and information as may be required by the Corporation from time to time;
 - (h) Quarterly records maintained by the Borrower outlining the Project particulars as the case may be.
 - (i) copies of all additional documents and authorisations entered into or obtained by the Borrower, or any amendments thereto.
- (iii) The Borrower shall:
- (a) Ensure maintenance of their corporate existence and the right to carry on their business and operations as it is conducted in all applicable jurisdictions;
 - (b) insure and keep insured, all the hypothecated assets and mortgaged assets against all risks with the widest possible cover as per the best industry practice, against any loss or damage by theft, fire, lightning, earthquake, explosion, riot, strike, civil commotion, storm, tempest, flood, erection risk, war risk and/or such other risks as may be determined by the Corporation and including all marine, transit and other hazards incidental to the acquisition, transportation and delivery of the relevant hypothecated assets and mortgaged assets to the place of use or installation and as required by the Corporation;
 - (c) ensure that all such insurance is in the name of the Borrower and the Corporation as loss payee, all such insurance is duly assigned / endorsed in favour of the Corporation and shall promptly deliver to the Corporation all original policies of insurance and renewals thereof /endorsements thereto;
 - (d) promptly pay all premium and all other amounts with regard to sub-clause (d) above. In the event any amounts payable in respect of such insurance is not paid, the Borrower agrees that the Corporation may, at

its sole discretion, make such payments and/or get the hypothecated assets and mortgaged assets insured and recover the necessary expenses from Borrower;

- (e) ensure that the Borrower and/or any other person does not do or omit to do or be done or permit or suffer any act, deed or thing which might or could prejudicially vitiate or affect any such insurance;
- (f) agree that the Corporation may at its option decide that any insurance proceeds received under the said insurance shall be applied at the option of the Corporation:
 - 1. in making good the damage; or
 - 2. towards payment/repayment of the Secured obligations.
- (g) obtain and maintain all authorisations necessary for the conduct of their business and operations in such jurisdictions, and for the performance of its obligations hereunder and/or in relation to all the secured assets and Acquired Assets and its utilisation;
- (h) develop, maintain and implement all the secured assets and Acquired Assets in accordance with prudent industry standards and accepted industry practices and comply with all of their obligations under applicable Law and other contractual documents in relation to the asset.
- (i) promptly inform the Corporation if the auditors of the Borrower ceases to act as such, along with the reasons therefore, and appoint another firm as auditors with 15 working days prior notice to the Corporation.
- (j) in accordance with the provisions of the applicable Laws, make such amendments/alterations to its Constitutional Documents as may be required by the Corporation to give effect to any of the provisions herein and/or in any of the other Facility Agreements and/or to safeguard its interests hereunder and/or in relation to the other Facility Agreements.

7.2 During the subsistence of this Agreement and till the Secured Obligations hereof are duly paid by the Borrower, the Borrower shall not, without the approval of the Corporation, which approval shall not be unreasonably withheld, or as otherwise permitted hereunder:

- (a) make or permit any material amendments or termination of any material contracts /documents;
- (b) enter into any contract or arrangement whereby its business or operations are managed by some other person;
- (c) contract, incur or agree to any Indebtedness of any manner whatsoever (save and except trade guarantees in the normal course of business) or create any security interest in favour of any other person;
- (d) prepay any Indebtedness other than the assistance amount;
- (e) create or permit any encumbrance in any form on any of the hypothecated assets or mortgaged assets, or dispose off or deal with in any manner all or any of its hypothecated assets or mortgaged assets;
- (f) provide any loans/financial assistance including by way of guarantees, indemnities or other assurances of a similar nature as the case may be;
- (g) pay any commission to its promoters, directors, managers or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any Indebtedness incurred by the Borrower or in connection with any other obligation undertaken for or by the Borrower;
- (h) declare or pay any dividend/make any distribution of profits or otherwise to any person, so long as any default has occurred / is subsisting under this Agreement and/or any of the other Facility Agreements;
- (i) buy back, cancel or reduce in any manner its share capital, or issue any further share capital, or change its capital structure in any manner whatsoever;
- (j) permit any disposal /transfer of shares in the Borrower's share capital by any person as specified by the Corporation. The Borrower shall provide undertakings from such persons in this regard as may be required by the Corporation;
- (k) amend/alter its Constitutional Documents in any manner that would or is likely to affect the performance of its obligations hereunder and/or any rights of the Corporation;
- (l) undertake or permit any merger, de-merger, consolidation, reorganisation, scheme or arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;

- (m) change its financial year end and/or the accounting methods or policies currently being followed by the Borrower (unless such change is required by Law).

VIII. EVENTS/CONSEQUENCES OF DEFAULT

- 8.1 On the occurrence of any of the events specified below, the Corporation shall be entitled, without prejudice to any other right or remedy which the Corporation may have under this Agreement or otherwise in Law and notwithstanding any subsequent acceptance of any Repayment Installments/interest, to take the steps specified herein below, without any notice, except as specified herein, at any time after the occurrence of such event:
- (i) If the Borrower fails to pay any monies payable hereunder on the dates and in the manner stipulated in this Agreement, whether demanded or not;
 - (ii) If the Borrower fails, omits or neglects to observe or perform or commits or allows to be committed a breach of any of the terms, conditions, provisions or stipulations of this Agreement on its part to be observed and performed (other than failure to pay any sum hereunder when due and payable);
 - (iii) Any information given by the Borrower in the Project Proposal, in the reports and other information furnished by or on behalf of the Borrower is incorrect or misleading, or a representation, warranty or statement made or deemed to be made hereunder or in connection with any other Facility Agreements by the Borrower or any other person, is incorrect or misleading in any respect;
 - (iv) Any insurance contracted or taken by the Borrower is not, or ceases to be, in full force and effect at any time when it is required to be in effect or any insurance is avoided, or any insurer or re-insurer avoids or suspends or becomes entitled to avoid or suspend, any insurance or any claim under it or otherwise reduce its liability under any insurance or any insurer of any insurance is not bound, or ceases to be bound, to meet its obligations in full or in part under any insurance.
 - (v) If the Borrower voluntarily suspends, causes or allows the suspension of all or any substantial portion of its operations and/or business, or abandons the Project, or any or a substantial part of its assets or business are damaged or destroyed, or any of the permits, certificates, licenses, rights or privileges required for the conduct of the business

and operations of the Borrower shall be revoked, cancelled or otherwise terminated, or the free and continued use and exercise thereof curtailed or prevented, so as to have a Material Adverse Effect;

- (vi) If, the Borrower commits any default under any other Facility Agreements;
- (vii) If, in the opinion of the Corporation, the security created in favour of the Corporation is in jeopardy or ceases to have effect or if any Facility Agreements becomes illegal, invalid, unenforceable or otherwise fails or ceases to be in effect or fails or ceases to provide the benefit of the liens, rights, powers, privileges or security interests purported or sought to be created thereby or if any such Facility Agreements shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the Corporation;
- (viii) If the Borrower takes, causes to be taken or allows any action to be taken or if any action is taken by any person/Authority for its liquidation/ insolvency/ bankruptcy, or if a Receiver is appointed of the whole or part of the assets, properties or undertaking of the Borrower; or if the Borrower compounds with or enters into any composition with its creditors;
- (ix) The Borrower is unable or has admitted in writing its inability to pay any of its Indebtedness as they mature or when due;
- (x) Any person acting singularly or with any other person (either directly or indirectly) acquires control of the Borrower either directly or indirectly, without the approval of the Corporation;

8.2 On the happening of any of the Events of Default, the Corporation shall give a written notice to Borrower to rectify the default within a period of 30 days. In case the default is not rectified within a period of 30 days then the Corporation shall be entitled to claim the liquidated damages stipulated under this Agreement and provide further notice for rectifying the default within next 30 days. In case the Borrower fails to rectify the default within the aforesaid stipulated period then Corporation shall have the right, by a notice in writing to the Borrower, without prejudice to the rights and claims under this Agreement to terminate this Agreement and/or declare the principal of and all interest on and all other amounts in respect of the Assistance to become due and payable forthwith and/or the security created in terms of this Agreement and /or the other Facility Agreements to become enforceable. The Corporation or such other person in favour of whom such security or any part thereof is created shall have inter alia, the following

rights (anything in the Assistance Agreement or the Facility Agreements to the contrary notwithstanding) namely:

- (i) to enforce any/all security/ies provided to the Corporation in terms and in the manner as provided under Security Agreements and the Facility Agreements; and/or
- (ii) to enforce the Bank Guarantee; and/or
- (iii) to freeze the bank accounts and initiate appropriate proceedings for realizing the money lying in the accounts of the Borrower.
- (iv) to exercise and enforce all rights and remedies available to the Corporation under this Agreement and/or the other Facility Agreements;
- (v) the Corporation shall, without prejudice to any of the rights and remedies specified hereinabove, be entitled to review the management set up or organization of the Borrower and to require the Borrower to restructure it as may be considered necessary by the Corporation, including the formation of management committees with such powers and functions as may be considered suitable by the Corporation. The Borrower shall promptly comply with all such requirements of the Corporation.

8.3 All expenses incurred by the Corporation after an Event of Default occurs including in connection with:

- (i) preservation of, or enforcement action against the hypothecated assets and mortgaged assets (whether then or thereafter existing) and Bank Guarantee; and
- (ii) collection of amounts due under this Agreement and/or the other Facility Agreements, shall be to the Borrowers' account and payable by the Borrower.

8.4 If any Event of Default has occurred or is continuing or if the Borrower has not availed of or drawn from the Assistance by the date referred to in this Agreement or such later date as may be permitted by the Corporation, then, in such event, the Corporation may, by notice in writing to the Borrower:

- (i) suspend further access by the Borrower to the use of the Assistance under this Agreement. The right of the Borrower to avail of or make

withdrawals from the Assistance shall continue to remain suspended until further notice from the Corporation in this regard; or

- (ii) terminate the right of the Borrower to avail of or make withdrawals from the Assistance. Upon such notice, the unutilised amount of the Assistance shall stand cancelled.

8.5 Notwithstanding any suspension or termination of this Agreement as specified hereinabove, all the provisions of this Agreement for the benefit or protection of the Corporation and its interests shall continue to remain in full force and effect as specifically provided in this Agreement.

IX. TERM AND TERMINATION

9.1 This Agreement shall be effective from the date of execution and shall continue till [___] years unless terminated in accordance with the provisions of this Agreement.

9.2 The Corporation may terminate or suspend this Agreement in whole or in part for any material breach committed by the Borrower under this Agreement. Any portion of this Agreement that is not terminated or suspended shall remain in force and effect.

X. FORCE MAJEURE

10.1 Force majeure shall mean any unforeseeable exceptional situation or event beyond the Parties' control which prevents either of them or their agents/authorized representatives from fulfilling any of their obligations under this Agreement, was not attributable to error or negligence on their part, and proves insurmountable in spite of all due diligence.

10.2 Any of the Corporation or Borrower faced with force majeure shall inform the other party without delay by registered letter with advice of delivery or equivalent, stating the nature, probable duration and foreseeable effects.

- 10.3 Neither Corporation nor Borrower shall be held in breach of their obligations under the Agreement if they are prevented from fulfilling them by force majeure. Each of the Corporation and/or Borrower shall make every effort to mitigate any losses suffered due to force majeure. If Corporation or Borrower fails to make necessary efforts by which the losses caused due to force majeure can be mitigated then the other party shall have the right to terminate this Agreement.

XI. LIABILITY

- 11.1 The Borrower and [____] (Parent Company/ Co-Applicant which has submitted the Proposal with the Borrower) shall be jointly and severally liable to comply and fulfill all the obligations under this Agreement.

XII. ASSIGNMENT

- 12.1 The Corporation may assign to any person any of its rights, benefits or obligations under this Agreement and/or any other Facility Agreements and in particular may assign such rights and benefits by way of charge and any person to whom such rights/benefits are assigned shall be entitled to the full benefit of such rights. The Borrower shall not be entitled to assign any of its rights, benefits or obligations under this Agreement and/or any other Facility Agreements without the prior written approval of the Corporation;
- 12.2 Save as aforesaid, this Agreement shall be binding upon and shall inure for the benefit of the Corporation and its successors in title and assigns and the Borrower and its successors in title.

XIII. GENERAL

- 13.1 Any or request given or made hereunder shall be in writing and the same shall be deemed to have been duly given or made if sent by registered mail

acknowledgment due, or facsimile to the Borrower and to the Corporation, as the case may be, at their respective addresses as specified herein below:

Corporation:
Registered Office: AND
Corporate Office:
Kind Attn:
Fax:

Borrower:
Registered Office:
Kind Attn :
Fax:

- 13.2 Time shall be the essence of this Agreement in so far as it relates to the observance and performance by the Borrower of all or any of its obligations hereunder.
- 13.3 The failure of the Corporation to insist upon the punctual performance of any of the obligations of the Borrower hereunder, or the failure of the Corporation to exercise any right or remedy available to the Corporation under this Agreement or any failure of the Corporation to require payment from or by the Borrower, when due of any sum owing hereunder, or any extension of credit or any forbearance on the part of the Corporation shall not constitute a waiver by the Corporation of any subsequent or continuing default by the Borrower hereunder nor shall the same prejudice, affect or restrict the rights and powers of the Corporation hereunder. All demands for payments and performance and all notices of non-payment or other default hereunder are hereby waived by the Borrower.
- 13.4 Any stamp duty and/or registration charges, if payable on this Agreement and its duplicate and all Facility Agreements, deeds, writings and documents executed by and between the Parties hereto in respect of the Acquired Assets and/or secured assets shall be borne by the Borrower.
- 13.5 The Borrower shall indemnify the Corporation:
- (i) against loss of or damage to the secured assets or Acquired Assets or any part thereof from whatever cause arising and whether or not such

loss or damage results from the negligence or cause beyond the control of the Borrower;

- (ii) against all claims and demands made upon the Corporation by reason of any loss, death, injury or damage suffered by any person from the operation of the secured assets or Acquired Assets and the use thereof;
- (iv) The Borrower agrees to comply with all laws and regulation relating to the transportation, possession, operation and use of the secured assets or Acquired Assets and assumes all liabilities arising from or pertaining to the transportation, possession, operating or use of the secured assets or Acquired Assets. The Borrower does hereby indemnify and agrees to keep indemnified and hold safe and harmless the Corporation, its Directors, employees, agents against all such liabilities and also against loss or damage to the secured assets or Acquired Assets.
- (iv) The liability and responsibility as also the indemnity/ies herein contained of the Borrower arising from anything done or any act of commission or omission occurring prior to the termination or sooner determination of this Agreement shall survive in so far as they pertain to events/occurrences that transpired during the period of this Agreement and be enforceable and carried out notwithstanding any such termination and/or sooner determination.

13.6 This Agreement represents the entire Agreement between the Parties in respect of the Assistance given to the Borrower being hereto on the subject matter hereof and shall be capable of variation in writing by a note of amendment (“**Note of Amendment**”) signed by and on behalf of the Corporation and the Borrower.

13.7 Dispute Resolution

- (i) All or any dispute, controversy, claim or disagreement arising out of or touching upon or in relation to the terms of this Agreement or its termination, breach, invalidity, including the interpretation and validity thereof and the respective rights and obligations of the Parties hereof, that cannot be amicably resolved by mutual discussion within thirty (30) calendar days, shall be settled by final and binding arbitration in accordance with the Rules of Arbitration of the Indian Council of Arbitration (**ICA**) which rules are deemed to be

incorporated by reference in this clause and the award made in pursuance thereof shall be binding on the Parties;

- (ii) The place of arbitration shall be New Delhi. The arbitration proceedings shall be conducted in the English language.
- (iii) During the pendency of any dispute resolution exercise whether by negotiations or arbitration, the Parties shall be bound by the terms of this Agreement and shall continue to perform their respective obligations not under dispute under this Agreement.

13.8 This Agreement shall be governed by and construed in accordance with the laws of India.

13.9 Any provision of this Agreement 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 this Agreement or affect such provision in any other jurisdiction.

13.10 All Schedules hereto shall be deemed to form an integral part of this Agreement and in the event of any inconsistency or repugnancy between the contents of this Agreement and/or any Schedule hereto, the latter shall prevail to all intents and purposes.

IN WITNESS THEREOF THE BORROWER IN ITS FREE VOLITION AND FULL UNDERSTANDING WITH THE INTENT TO LEGALLY BIND ITSELF TO THIS AGREEMENT EXECUTES THIS AGREEMENT THROUGH ITS DULY AUTHORISED REPRESENTATIVE ON THE DAY, MONTH AND YEAR FIRST HEREINABOVE WRITTEN:

For the Corporation

For the Borrower

WITNESSES:-

Witness 1: _____

Witness 2: _____

SCHEDULE I

PROJECT COST:

SCHEDULE II

PURPOSE/PROJECT DESCRIPTION

SCHEDULE III

GENERAL TERMS OF THE ASSISTANCE

1. **Details of the Assistance:**

Assistance: [_____]

Period of Assistance: [_____]

2. **Disbursement Schedule:**

[_____]

All disbursements shall be deposited into the Borrower's Bank account of which the details are as follows:

Name of the Bank:

Bank Routing Number:

Bank Account Name:

Bank Account Number (including bank codes):

Address of Bank:

3. **Repayment Schedule:**

The date of disbursement shall be the date on which the amount is credited into the bank account of the Borrower. The Repayment schedule is outlined hereunder:

[_____]

4. **Interest:**

- (i) Interest on the Assistance: The interest rate on each tranche of disbursement shall be at simple interest rate of [●] per annum. Upon draw-down of the entire facility a weighted average interest

rate will be calculated and used for future interest payments.

(ii) Default Interest

Without prejudice to any of Corporation's rights and privileges, Borrower shall be liable to pay on demand compensation for late payment at the rate of ___% p.a. over and above the Applicable Interest Rate on any unpaid liability or part thereof which remains unpaid on and after the respective Due Date(s).

(iii) Interest Payment Dates

1st day of every calendar month. For avoidance of doubt, the Borrower shall make the interest payments on the 1st of every month from the month after disbursement. The interest payments will be calculated on a 365 days a year basis for the number of days in each month.

5. Utilization Schedule

[_____]

6. Legal, professional and other out-of-pocket expenses

At actuals to the Borrower's account subject to a maximum of Rupees [____].

7. Payment Day

The Borrower undertakes to pay on March 31, the Repayment Installment or interest payable due on April 1 every year.

SCHEDULE IV

COPY OF PROJECT PROPOSAL