

**B2B
FACILITY AGREEMENT**

BETWEEN

AUXILO FINSERVE PRIVATE LIMITED

as the Lender

AND

PERSON/S NAMED AS BORRROWER/S IN SCHEDULE 2

as the Borrower/s

FACILITY AGREEMENT

This **FACILITY AGREEMENT** (the “**Agreement**”) is made at the place mentioned in Schedule 2 on the date of execution mentioned in Schedule 2 by and between:

1. **AUXILO FINSERVE PRIVATE LIMITED**, a non-banking finance company incorporated under the provisions of the Companies Act, 2013 (as amended) having its registered office at Office No. 63, 6th Floor, Kalpataru Square, Kondivita Road, Andheri East, Mumbai – 400 059 (hereinafter referred to as the “**Lender**” which expression shall, unless repugnant to the subject or context thereof, include its successors, transferees, novatees and assigns) of the **ONE PART**; and
2. **PERSON/S NAMED AS BORROWER IN SCHEDULE 2** having the details set out in Schedule 2 (hereinafter referred to as the “**Borrower/s**”, which expression shall unless repugnant to the context or meaning shall include, be deemed to include, the Co-borrower(s) (if any) as mentioned in Schedule 2 its successors and permitted assigns) of the **SECOND PART**.

The Borrower/s and the Lender are hereinafter individually referred to as “**Party**” and collectively as “**Parties**”

The Lender, at the request of the Borrowers, is willing to provide financial assistance to the Borrowers up to a maximum of the Facility Amount (as set out in Schedule 2) for the Purpose (as set out in Schedule 2) and lend to the Borrowers, the Facility Amount based on the terms and conditions and relying on the representations and warranties contained in this Agreement and the Financing Documents.

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

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

“**Affiliate(s)**” in relation to a Person means any body corporate, partnership, association, foundation or other legal entity, which, through ownership of voting rights/interest or otherwise, directly or indirectly, is Controlled by, or under common Control with, or in Control of such Person and where such Person is an individual, shall in addition to the foregoing, also include any Relative of such individual. The term “**Relative**” will have the meaning ascribed to it in Section 2 (77) of the Companies Act 2013;

“**Applicable Law(s)**” mean all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directive of any Governmental Authority or Person acting under the authority of any Governmental Authority;

“**Assets**” means assets or properties of every kind, nature, character and description (whether immovable, movable, tangible, intangible, absolute, accrued, fixed or otherwise) as now operated, hired, rented, owned or leased of the Borrower including the assets which are specifically disclosed in the Schedule 3;

“**Availability Period**” means the period commencing from the date of execution of this Agreement during which the Borrower shall be allowed to request for Disbursement of the Facility Amount as mentioned in Schedule 2 of this Agreement;

“Borrower” shall mean and includes the Person(s) named in Schedule 2 to this Agreement along with its/their address(s), unless it be repugnant to the subject or as the context may permit or require and shall include the Co-Borrowers (if any) specified in Schedule 2;

“Benchmark Rate” shall be as specified in Schedule 2 being the rate which is taken by the Lender to calculate the Interest Rate from time to time based on prevailing market conditions and guidelines of any statutory authority and/or as per the internal policies of the Lender.

“Broken Period” shall mean the period commencing on the Disbursement Date upto and including the First Due Date. In the event, the period between the Disbursement Date and the First Due Date exceeds 30 (thirty) calendar days, then the Broken Period will be deemed to be a period commencing on the Disbursement Date upto and including the date 30 (thirty) calendar days prior to the First Due Date.

“Business Day” means any day on which the relevant Lending Office of the Lender is open for business.

“Credit Information Company” mean a credit information company registered with the Reserve Bank of India under the Credit Companies (Regulation) Act 2005 including Transunion CIBIL Limited, CRIF High Mark Credit Information Services Private Limited, Equifax Credit Information Services Private Limited (ECIS) and Experian Credit Information Company of India Private Ltd.

“Control” means and includes the right to appoint majority of the directors/partners/trustees or to control the management or policy decisions exercisable by a Person or Persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or voting or management rights or shareholders agreements or voting agreements or partnership agreements or trust deeds or in any other manner;

“Due Date” shall mean such date of the calendar month as may be agreed between the Lender and the Borrower to be the date of repayment of each Pre-EMI/EMI as per the Repayment Schedule.

“Default Penal Charges” shall have the meaning ascribed to such term in Clause **Error! Reference source not found..1**

“Default Penal Charges Rate” shall mean the Default Penal Charges rate set forth in Schedule 1.

“Disbursement” means the Initial Disbursement and each subsequent disbursement under the Facility.

“Disbursement Date” shall mean the date of each Disbursement in accordance with this Agreement. The Disbursement Date shall be the date on which the Disbursement is authorised in the Lender’s systems and not on the date of the actual receipt of funds by the Borrower/s.

“EMI” shall mean equated monthly installment payable by the Borrowers to the Lender after completion of the Moratorium Period (if applicable), which comprises of the applicable Principal and Interest as specified in the Repayment Schedule It is clarified that if specified in the Repayment Schedule, the amounts of the EMI can be set to increase or decrease after specified periods in accordance with the Repayment Schedule.

“Encumbrance” means any security interest, equitable interest, assignment way of

security, conditional hypothecation right of other persons or entities, claim, security interest, title defect, voting trust agreement, option, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any agreement, whether conditional or otherwise, to create any of the same;

“Event of Default” means any event or circumstance specified as such in Clause 19 (*Events of Default*).

“Escrow Account” means an account to be established and maintained by the Borrower with an escrow agent identified by the Lender in the name of the Borrower in which all the Receivables shall be deposited in accordance with the Financing Documents;

“Facility” means the term loan/ working capital loan granted or to be granted by the Lender to the Borrower under the terms and conditions of this Agreement;

“Facility Account” means the account maintained by the Lender which records the balance/amount owed by the Borrower to the Lender;

“Facility Amount” means the amount which the Lender agrees to provide to the Borrower, to be disbursed in one or more tranches, for the Purpose mentioned under the Financing Documents;

“Financing Documents” means all documents executed in relation to the Facility including this Agreement, the Sanction Letter, the application form and the Security Documents, undertakings, indemnity, supplementary agreements, disbursement requests made from time to time including modifications, alterations, addenda, attachments, annexures and schedules either executed between the Parties or shared with the Borrowers by the Lender, as amended from time to time, and shall be read as part hereof.

“First Due Date” in relation to a Disbursement means the Due Date falling immediately after Disbursement Date with respect to such Disbursement.

“Fixed Rate of Interest” means the fixed rate of interest applicable on the Facility, which is subject to review by the Lender;

“Floating Rate of Interest” means the Benchmark Rate plus the applicable spread as specified in Schedule 2, whereas it is clarified that the spread shall remain constant during the Tenure;

“Guarantor” or **“Guarantors”** shall mean and include any person(s) who has agreed or extended the guarantee for the repayment of the Facility granted to the Borrower by the Lender as specified in Schedule 2;

“Governmental Authority” means any government, or any governmental, non-governmental, legislative, executive, administrative, fiscal, judicial or regulatory, authority, body, board, ministry, department, commission, tribunal, agency, instrumentality or other Person exercising legislative, executive, administrative, fiscal, judicial or regulatory functions (including any court, tribunal, mediator or arbitrator of competent jurisdiction), having jurisdiction over the matter in question in any jurisdiction or political sub-division;

“Initial Disbursement” shall mean the first Disbursement in accordance with the terms and conditions of this Agreement.

“Interest” shall mean the interest payable at the Interest Rate on the applicable

Principal.

“Interest Rate” means the rate of interest on the Facility as set forth in Schedule 2.

“Lending Office” with respect to the Lender, means the office of the Lender as set forth in Schedule 2.

“Material Adverse Effect” shall mean the effect or consequence of any event or circumstance which in the reasonable opinion of the Lender is or likely to have a material and adverse effect on:

- (a) the financial condition, business or operation, performance, Assets or prospects of the Borrower/s; or
- (b) the ability of the Borrower/s to perform its obligations or exercise its rights under the Financing Documents in accordance with their respective terms; or
- (c) the legality, validity or enforceability of any of the provisions of the Financing Documents (including the ability of the Lender to enforce any of its remedies under any of them); or
- (d) the effectiveness or priority of the Security created under any Security Document.

“Moratorium Period” shall mean the period described as such in Schedule 2 being the period during which the Borrower/s will pay the Pre-EMI where the Borrower shall not be liable to pay the principal amount and/or full or part of the Interest on the Principal, as specified in Schedule 2 or as may be otherwise agreed between the Parties, in writing.

“NACH” shall mean National Automated Clearing House which has been implemented by the national payments corporation of India to facilitate periodic transactions.

“NEFT” shall mean National Electronics Fund Transfer system.

“Principal” shall mean the actual amount disbursed by the Lender pursuant to the Financing Documents, as increased or reduced as per the terms of this Agreement.

“Other Charges” shall mean and include all amounts payable to the Lender by the Borrower pursuant to the terms of the Financing Documents, including without limitation to the following:

- a) all obligations and liabilities of the Borrower, excluding the repayment of the Principal of, and Interest on the Facility including Default penal charges, liquidated damages, indemnities, expenses, fees (including upfront fees), commissions, Prepayment Charges, incurred under, arising out of or in connection with any Financing Documents;
- b) any and all expenses incurred by the Lender in order to create, perfect or preserve the Security created/ to be created pursuant to the Security Documents;
- c) any and all sums reimbursable under any of the Financing Documents including all such costs and expenses which may be incurred and/ or suffered and/ or paid by the Lender in accordance with the terms of the Financing Documents;
- d) the expenses incurred by the Lender in holding, selling, leasing or otherwise disposing of or realizing the Security under the Security Documents, or of any other exercise Lender’s rights under the Security Documents;
- e) charges specified in Schedule 1; and
- f) any other charges specified on the Website.

“Outstandings” shall mean all amounts owing, due or payable to the Lender by the Borrower/s pursuant to the terms of the Financing Documents, including without limitation:

- a) the Facility and all interest on the Facility, the Default Penal Charges, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Borrower/s, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with any Financing Document;
- b) any and all sums advanced by the Lender in order to preserve the Security or preserve the assets forming part of the Security; and
- c) in the event of any proceeding for the collection or enforcement of the Outstandings, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, or of any exercise by the Lender of the rights under the Security Documents and / or the other Financing Documents, together with legal fees and court costs.

“Overdue Amount” shall have the meaning ascribed to such term in Clause 10.2.1 (*Default Penal Charges*).

“Pre-EMI” shall mean the monthly installment payable by the Borrower/s during the Moratorium Period based on the simple Interest charged by the Lender for the period from the Disbursement Date to the date immediately prior to the commencement of the EMI.

“Prepayment Charges” means the charges payable by the Borrower/s to the Lender in respect of prepayment(s) of the Facility made to the Borrower/s by the Lender, as set forth in Schedule 1.

“Potential Event of Default” means any event or circumstance specified in Clause 19 (*Events of Default*) which would (with the expiry of grace period, the giving of notice, the making of any determination under the Financing Documents or any combination of any of the foregoing) be an Event of Default.

“Purpose” shall have the meaning ascribed to it in Schedule 2.

“RBI” shall mean the Reserve Bank of India established under the Reserve Bank of India Act, 1934, as amended.

“Receivables” means all or any amounts accruing or arising out of the Secured Property/any other property or any other fee / money(ies) receivables, present or future;

“Repayment Schedule” shall mean the schedule of repayment shared with the Borrower/s on or about the time of Initial Disbursement, as may be amended from time to time.

“RTGS” shall mean Real Time Gross Settlement.

“Sanction Letter” shall mean the sanction letter issued to the Borrower/s by the Lender on the date mentioned in Schedule 2. The expression “Sanction Letter” shall include all amendments to the Sanction Letter;

“Secured Property” shall mean and include the immovable property or properties as specified in Part – A of Schedule 3 or movable properties or any other property(ies)

more particularly described in Part – B of Schedule 3, which is / are owned by the Borrower or the Security Provider and shall be deemed to include any property(ies) on the Security of which the Lender has agreed to advance the Facility;

“Security” shall have the meaning ascribed to the such term in Clause 4.1 (*Security*) and shall be deemed to include any additional security created under Clause 4.3;

“Security Document” shall mean each of the documents and agreements entered into on or about the date of this Agreement by the Borrower/s for creating, maintaining and perfecting the Security as contemplated in Clause 4 of this Agreement including any instrument, document or deed that creates or purports to create a security interest on the Security in favour of the Lender and includes any other instrument, document or deed executed and/or to be executed in connection with or pursuant to any of the foregoing and any other document designated as such by the Lender.

“Security Provider” means the Person who creates Security in the Secured Property in favour of the Lender to secure the repayment obligations of the Borrower including the repayment of the Outstandings and the said term shall include the Guarantor;

“Spread”: shall mean and include Borrower specific variable spread/margin to be applied to Benchmark Rate to arrive at the Borrower specific Interest Rate as more specifically mentioned in the Schedule 2 hereto. The Spread will remain constant during the tenor of the Facility.

“Tenure” shall mean the period (specified in months) within which the Facility has to be repaid as mentioned in Schedule 2.

“Website” means the website of the Lender, presently being www.auxilo.com.

1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in this Agreement to:

- (a) all obligations of a **“Borrower”** under the Financing Documents shall be joint and several obligations of the Borrowers and each of the Co-Borrowers;
- (b) a **“Financing Document”** or any other agreement or instrument is a reference to that Financing Document or other agreement or instrument as amended, supplemented, extended or restated;
- (c) a **“person”** includes any individual, firm, company, corporation, Governmental Authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include such individual’s legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
- (d) the word **“includes”** or **“including”** are to be construed without limitation;
- (e) a provision of law is a reference to that provision as amended or re-enacted.

1.2.2 in the event of any disagreement or dispute between the Borrower/s and the Lender regarding the materiality, reasonableness or substantiality of any matter including of any event, occurrence, request, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the

opinion of the Lender as to the materiality, reasonableness or substantiality of any of the foregoing shall be final and binding on the Borrower/s.

- 1.2.3 all approvals, permissions, consents or acceptance required by the Borrower/s from the Lender for any matter shall require the “prior and written” approval, permission, consent or acceptance of the Lender.
- 1.2.4 Clause and Schedule headings are for ease of reference only and shall not be used in any way for purposes of interpreting this Agreement.
- 1.2.5 A Potential Event of Default is “**continuing**” if it has not been remedied or waived and an Event of Default is “**continuing**” if it has not been waived.
- 1.2.6 Words importing the singular number shall include the plural and vice-versa.
- 1.2.7 Words and abbreviations, which have well known technical or trade or commercial meanings are used in the Agreement in accordance with such meanings.

2. **THE FACILITY**

- 2.1 Subject to the terms and conditions contained in the Financing Documents, the Borrower/s agrees to borrow from the Lender and the Lender agrees to lend and advance to the Borrower/s, the Facility Amount during the Availability Period which would be used by the Borrower/s solely for the Purpose on the terms and conditions set out herein. The Borrower agrees that the Facility Amount will not be used for any illegal activity, stock market transactions, gambling, chit fund or any other activity prohibited under any Applicable Laws or specified by the Lender as restricted activity.
- 2.2 The Borrowers agree that the Lender is under no obligation to disburse the Facility Amount on the same day of execution of this Agreement and/or other Financing Documents, and the Lender may disburse the Financing Documents on any day subsequent to the date of execution of such documents after satisfactory completion of all the procedures, prescribed by the Lender and only after compliance of all the requirements by the Borrowers.
- 2.3 This Agreement shall continue to be binding on the Borrowers till the time any Outstandings remain unpaid.

3. **TENURE**

- 3.1 The tenure of the Facility (which will commence from the first Due Date after the Initial Disbursement) shall be the period as stated in the Schedule 2 or the period as revised by the Lender, upon written request from the Borrower, from time to time.
- 3.2 In the event, the Borrower does not fully draw down the Facility Amount by the end of the Availability Period, the Lender shall, at its sole discretion, have a right to terminate the Facility Agreement and/or revise the terms and conditions thereof (including the Tenure, Facility Amount, Pre-EMI, the EMI or the number of EMIs etc.) or reduce the Facility Amount. It is clarified that in such a situation, the Lender may at its sole discretion reserve the right to revise the Repayment Schedule and the Pre-EMI/EMI shall be repaid in accordance with such revised repayment schedule.
- 3.3 During the Availability Period, the Lender shall have the right to cancel further Disbursement of the Facility, after giving a notice of 5 (five) Working Days to the any of the Borrowers. Further if the Facility has not been completely drawn by the Borrower during the Availability Period, the Lender may, at its sole discretion, cancel the further Disbursement without any prior notice.

4. SECURITY

4.1 Security

- (a) The payment, repayment, reimbursement, as the case may be, of the Outstandings shall be secured by the creation and perfection of security interest over the Secured Property ("**Security**") by the Borrowers/Security Provider. For the purpose of this Agreement, it is clarified that the term Security shall include a hypothecation of all the Receivables by way of hypothecation charge in favour of the Lender in such manner as may be required by the Lender and including an irrevocable right of lien and set off in favour of the Lender over the monies lying and credited into the Escrow Account.
- (b) The Lender has the right to require the Borrower/Security Provider to provide such necessary documents executed in favour of the Lender in order to create Security in the form, manner and within a period satisfactory to the Lender. In case the Borrower/Security Provider does not create/execute the Security within the time specified by the Lender, the Lender shall be entitled to charge Default Penal Charges as may be prescribed by the Lender, till such time as the said Security is not created/executed/extended to the satisfaction of the Lender. The Default Penal Charges payable by the Borrower under this Clause shall be in addition to any Other Charges payable by the Borrower in respect of delay in payment of EMI, Pre-EMI or any other Outstandings.
- (c) In case the Secured Property is under construction, the Borrower/Security Provider hereby agrees, confirms and undertakes that on the completion of construction of the Secured Property, the completed Secured Property shall stand charged in favour of the Lender and the Borrower/Security Provider shall do all necessary acts, or comply with necessary formalities/procedural requirements in relation to the same, as may be required by the Lender.
- (d) The Borrower/Security Provider shall obtain all necessary permission of any Governmental Authority/regulatory/bank/financial institution/any other Person, if required, for the creation/extension/perfection of the Security in favour of the Lender. Further, the Lender reserves the right to withhold Disbursements and/or recall the Outstandings, until and unless such permission is procured and Security is created within the period as specified by the Lender.
- (e) The Borrower/Security Provider shall cause the charges created under the Financing Documents to be registered in accordance with the applicable provisions laid down under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and rules framed thereunder or such other Applicable Laws, as may be prescribed, within the prescribed time and furnish the certificate of registration to the Lender.

4.2 Continuing Security

The Borrower agrees that the Security provided to the Lender shall be and remain continuing security(ies) to the Lender and binding upon the Borrower/Security Provider and the same shall:

- (a) be binding upon the parties creating such Security and their respective successors and permitted assigns;
- (b) not be discharged by intermediate payment or repayment of Outstandings by the Borrower or any settlement of accounts by the Borrower till the time any Outstandings remain payable by the Borrower under the Financing Documents;

- (c) be in addition to and not in substitution or derogation of any other Security that the Lender may at any time hold, or call for, in respect of the Outstandings; and
- (d) be available to the Lender until all accounts between the Lender and the Borrower in respect of the Outstandings are ultimately settled to the satisfaction of the Lender.

4.3 Additional Security

- 4.3.1 If, at any time during the subsistence of this Agreement, the Lender is of the opinion that the Security provided by the Borrower/s has become inadequate to cover the Outstandings, then, on the Lender notifying the Borrower/s to that effect, the Borrower/s shall provide and furnish to the Lender, to the satisfaction of the Lender, such additional security as may be acceptable to the Lender to cover such inadequacy within 15 (fifteen) days of such notification given by the Lender.
- 4.3.2 In the event, the Borrower/Security Provider and/or any of their Affiliates provides to the Lender any fother security, under any other agreement, the said security shall be deemed to be Security(ies) under the Financing Documents and the Lender shall be entitled to exercise any or all rights under the respective agreements and under any of the loans including the present Facility extended by the Lender.

4.4 Security Trustee

The Borrowers agree and provide their consent that the Lender shall be entitled to appoint a security trustee or any third party for keeping in custody of all the requisite documents including the title deeds in relation to the immovable properties/ assets secured in favour of the Lender, including with it or any of its agent, for the beneficial interest of the Lender, and do any other act necessary for creation of the Security under this Agreement and other Financing Documents and any charges to be paid to the security trustee for acting as a custodian on behalf of the Lender shall be debited to the account of the Borrowers.

4.5 Adequate Security

The Borrower undertakes that all the Security Documents shall be adequately executed, delivered and registered (where necessary) and appropriate forms are filed as required under Applicable Laws such that Security is created on the Assets in accordance with Applicable Law and that the Assets are not subject to any Security other than those created pursuant to the Financing Documents such that an effective Security is created on all right, title, estate and interest of the Borrower in the property, assets and revenues of the Borrower in accordance with Applicable Laws and all necessary and appropriate consents, including from the relevant Governmental Authorities, to the creation, effectiveness, and enforcement of such Security have been obtained by the Borrower. Further, the Borrower agrees to execute powers of attorney in favour of the Lender and such other documents as may be required by the Lender, to enable the Lender to create/perfect the Security and to carry our such other actions on behalf of the Borrower in relation to the Secured Property as the Lender may deem fit.

4.6 Cross Collateralisation:

Any security(ies) furnished by the Borrower/Security Provider, under any other agreement entered into/to be entered into with the Lender, or either of them or any group companies, its Affiliates shall be deemed to be the Security(ies) under the Financing Documents and the Lender shall be entitled to exercise any or all rights under the respective agreements including but not limited to exercising right over any

security(ies)/charges/ mortgages available to the Lender under any of the loans including the present Facility extended by the Lender. The Borrower agrees that the Security(ies) offered in respect of the Financing Documents, shall be deemed to be continuing security(ies) in respect of other loan(s) availed/to be availed by the Borrower from the Lender and shall not be discharged till such time all the loan(s) are fully discharged to the satisfaction of the Lender.

5. CONDITIONS PRECEDENT TO DISBURSEMENT

- 5.1 The Borrower will be permitted to avail Disbursements under this Agreement only upon the fulfillment of the following conditions precedent to the satisfaction of the Lender, unless the unfulfilled conditions are waived by the Lender in writing at its sole discretion:
 - 5.1.1 The Borrower having provided to the Lender certified true copies of the Borrower's and Security Provider's charter/constitution documents to the satisfaction of the Lender;
 - 5.1.2 The Borrower having provided to the Lender certified true copies of the board or other applicable corporate resolutions of the Borrower and the Security Provider: (a) approving the terms and execution of, and the transactions contemplated by the Financing Documents; and (ii) confirming that the execution of the Financing Documents is in compliance with Applicable Laws and the charter documents/ bye-laws of the Borrower/Security Provider, in a form and manner satisfactory to the Lender;
 - 5.1.3 The Borrower having paid all fees, expenses and other charges under the Financing Documents;
 - 5.1.4 The Borrower having created and perfected the security interest in the Secured Property in favour of the Lender in a manner satisfactory to the Lender;
 - 5.1.5 The Borrower/Security Provider having executed all the Financing Documents in a manner satisfactory to the Lender;
 - 5.1.6 The Borrower/Security Provider having appointed a security trustee to hold the Security for the benefit of the Borrower, if so required by the Borrower, in a manner satisfactory to the Lender;
 - 5.1.7 The Borrower having appointed appropriate legal advisors, consultants and internal auditors as required by the Lender and having implemented the recommendations of such advisors and consultants, in a manner acceptable to the Lender;
 - 5.1.8 No potential Event of Default and/ or an Event of Default shall have occurred (unless waived in writing by the Lender) and the representations and warranties made by the Borrower and/or the Security Provider herein or under other Financing Documents are true, correct, accurate, complete and not misleading in all respect;
 - 5.1.9 No other event or circumstance has occurred or outstanding which in the opinion of the Lender or the Borrower constitutes a default under any document which is binding on the Borrower and/or any Secured Property that is likely to have a Material Adverse Effect;
 - 5.1.10 The Borrower and Security Provider shall have complied with all Applicable Laws in relation to its activities proposed under the educational project proposed to be undertaken by the Borrower;
 - 5.1.11 None of the Borrower and/or the Security Provider or any of its or their officers, employees, directors, key managerial personnel, incumbent, partners, designated

partners, trustees, members appearing on the RBI/ any Credit Information Company's willful defaulters list; and

5.1.12 The Borrower/Security Provider having complied with such other conditions as may be prescribed by the Lender including the conditions set out in Schedule 4, unless any of the unfulfilled conditions are expressly waived (either conditionally or with conditions), by the Lender in writing, at its sole discretion.

5.2 The Borrower/Security Provider shall be obliged to provide to the Lender documents evidencing fulfillment of the conditions precedent set forth in Clause 5.1 hereof in a form satisfactory to the Lender.

6. DISBURSEMENT

6.1 Disbursement

6.1.1 The Facility will be disbursed by the Lender in one or more tranches or in such other manner and on such terms and conditions as the Lender may deem fit, subject to the Borrower/s complying with all the provisions of Sanction Letter and this Agreement.

6.1.2 All disbursements, in terms of this Agreement, shall be made by cheque/ pay order/ demand draft duly crossed "A/C payee only" / RTGS/ NEFT or in such other mode as agreed by the Lender and the applicable collection charges will be borne by the Borrowers.

6.2 Delivery of a Disbursement Request

6.2.1 The Borrowers or any of the Co-Borrowers may request for disbursement of any part or whole of the Facility Amount by delivery to the Lender of a disbursement request at least 5 (five) Business Days prior to the date of the proposed Disbursement.

6.2.2 Additionally, any one of the Borrowers may request the Lender for subsequent disbursement of the Facility either by way of sending an email from any of the Borrower's email address registered with the Lender or through scanned copy of the said email or via fax or by way of side letter signed by any of the Borrowers for further disbursement and the same would be construed as an authorized act by the Borrowers in this regard and conclusive proof of such further subsequent disbursement request being made by the Borrowers (or any one of them) to the Lender. However, the Lender may, at its sole discretion and without assigning any reason whatsoever, refuse to disburse the whole or any part of the said Facility, if, in the opinion of the Lender, the Borrowers have not complied with any of the terms and conditions of the Sanction Letter or this Agreement or any other Financing Documents.

6.2.3 In addition to the method prescribed in Clause 6.2.2 above, the Lender may provide the Borrowers with an option to request for subsequent disbursements of the Loan through the online customer portal of the Lender, wherein each of the Borrowers would be provided a unique identity number and a password to access the aforesaid customer portal and would have an option to request for further disbursements of the Loan through the request form provided on the said customer portal.

6.2.4 The Borrowers authorizes the Lender to act upon any request made by any one of the Borrowers through email or a letter in respect of issuing any letter/certificate/loan closure letter/changes in contact details like email address, phone number, correspondence address, reduction or increase in loan term/period, reduction or increase in monthly installment, change in repayment mode, increase/enhance the loan amount, change in date of monthly instalment cycle, swapping of monthly instalments, repayment through NACH/post dated cheques or any other request.

6.2.5 Each Borrower(s) authorizes the other Borrower(s) to make the disbursal request/or any other request under Clauses 6.2.3 and 6.2.4 and therefore each Borrower acknowledges that such request shall be binding on each one of them.

6.2.6 If during the Tenure, the Borrowers request the Lender in writing to increase the Facility Amount, the Lender would at its sole discretion, consider such request. In the event, that the Lender agrees to increase the Facility Amount, then the Borrowers shall execute all such documents, supplemental deeds and writings as may be decided and demanded by the Lender at its absolute discretion and may be subject to such other additional terms and conditions as the Lender deems necessary..

6.2.7 The Lender shall not be bound to entertain any further request of Disbursement of the Borrower after the expiry of the Availability Period.

6.3 Completion of a Disbursement Request

6.3.1 Each Disbursement request shall be irrevocable.

6.3.2 The Lender shall be entitled (but not obliged) to rely and act upon any Disbursement request and any documents or information in connection with a Disbursement request, which appears on its face to have been duly completed, genuine and properly signed by any of the Borrower/s or any authorised signatory of the Borrower/s notwithstanding that such Disbursement Request, documents, or information later on proves to not be genuine, not properly signed or otherwise incorrect in any respect.

6.4 Adjustment of Charges

The Lender may deduct from the sums to be lent to the Borrower/s any monies then remaining due and payable by the Borrower/s to the Lender under: (i) Clauses 14.1 and 14.5 of this Agreement; (ii) processing fees; (iii) property verification charges; (iv) demand Draft / pay order issuance charges; (v) stamp duty on Financing Documents; (vi) NACH/Cheque swapping charges; (vii) CERSAI Registry and modification charges; (viii) RTGS/NEFT bouncing charges; (ix) charges for swapping of Security; and (x) charges for Security creation. The Borrower/s hereby authorises the Lender to deduct the aforesaid sums from the amount of the Facility to be disbursed by the Lender and adjust the aforesaid amounts against the same.

6.5 Mode of Disbursement

6.5.1 The Disbursements may be made by cheque(s) or authorisations or demand draft or by RTGS or NEFT or any other mode of disbursement as the Lender may, in its sole discretion, determine, and all collection, remittance and/or Other Charges in this connection shall be borne by the Borrower/s. The interest on the Facility shall accrue from the date of each Disbursement.

6.6 Deemed Disbursement

6.6.1 Notwithstanding anything contained herein or in any other Financing Document, the Lender shall be entitled to (at its sole discretion without any obligation in terms of this Agreement) fund the charges mentioned in Clause 6.4 from the undisbursed amounts of the Facility.

6.6.2 Such funding shall be deemed to be a Disbursement under this Agreement and the Borrower/s irrevocably waives any claims or defences, if any, available to it, against the making of such Disbursements. Such disbursed amounts shall be deemed as a Disbursement of the Facility.

6.6.3 The Borrower/s shall pay interest on the Facility and other amounts due on such

deemed Disbursements in the same manner as the other Disbursements availed by the Borrower/s. Any non-compliance of any of the terms hereof shall be treated as an Event of Default.

- 6.6.4 The Borrower/s recognises that the aforesaid ability of the Lender to fund a Disbursement is only an entitlement available to the Lender and does not operate as a waiver of the Borrowers' obligations to pay the Lender the charges mentioned in Clause 6.4 or operate as a waiver of the right to call an Event of Default, if the Lender chooses not to exercise its rights under this sub-clause.

7. REPAYMENT

- 7.1 The Facility shall be repayable in accordance with the Repayment Schedule. Interest on the Facility, whether as part of Pre-EMI/EMI, shall be payable every month by the Borrower until the repayment of the Facility. The amount of the principal being repaid as part of EMI may be decided/changed by the Lender at its sole discretion and as a result thereof EMIs for different periodical intervals may be unequal.
- 7.2 The Lender may at its sole discretion, at the request of the Borrower/s, revise or vary the repayment of the Facility or the Outstandings for the time being or any instalment of the said Facility or any part thereof upon such terms and conditions as may be decided by the Lender. Upon such revision the revised schedule shall be deemed to be the Repayment Schedule and the Pre-EMI/EMI shall then be repaid in accordance with such revised repayment schedule.
- 7.3 The Borrower shall repay to the Lender: (a) Interest during the Broken Period which shall be payable on the first Due Date along with the relevant Pre-EMI/EMI; and (b) Pre-EMIs/EMIs on the date as mentioned in Repayment Schedule.
- 7.4 The Borrowers agree to at all times maintain the required balance or sufficient funds in their bank account to ensure that the Pre-EMI/EMI are received/realized by the Lender, on the Due Date, without a reminder being sent by the Lender for the same.
- 7.5 Simultaneous with the execution of this Agreement, the Borrowers shall execute all such forms and provide all such instructions as shall be necessary or required to give effect to any mode of payment of Facility as shall be agreed by the Lender and the Borrowers for this purpose. In the event, the Lender requests the Borrower/s or it is otherwise required to replace any cheques or execute fresh forms or provide revised instructions with respect to the cheques, forms and instructions provided under this Clause, the Borrower shall promptly comply with such request or provide such replacement.
- 7.6 Any amount received towards repayment shall be deemed to be repaid only when the amounts have been received by the Lender.
- 7.7 All monies due and payable by the Borrowers to the Lender under or in terms of this Agreement shall be paid at the Lending Office or registered office of the Lender (or at any other branch of the Lender or at any other place as may be notified by the Lender) by cheque/bank draft/ drawn in favour of the Lender on a scheduled bank in the town or city where such Lending Office or registered office is situated or NACH/RTGS/NEFT or any other mode as agreed by the Lender, and shall be so paid as to enable the Lender to realize the amount sought to be paid on or before the Due Date to which the payment relates. Credit for all payments by cheque/ bank draft/ NACH/ RTGS/ NEFT, etc or debit to the Escrow Account. will be given only on realization thereof by the Lender.
- 7.8 The Borrowers agree and confirm that notwithstanding any of the provisions of the Contract Act, 1872 or any other law or any of the terms and conditions contained in the Agreement and/ or any Security Documents, any payment/s (including any prepayment in accordance with Clause 8) made in favour of the Lender shall be appropriated by the

Lender at its discretion towards *inter alia* the following:

- 7.8.1 Interest on costs, charges, expenses and other monies;
 - 7.8.2 Costs, processing fees, commitment fees, other fees, charges, expenses and other monies including those mentioned in Schedule 1;
 - 7.8.3 Default Penal Charges for any default in payment of any amount due and payable under this Agreement, Default Penal Charges for non-payment of any amount due or any other default;
 - 7.8.4 Interest on the Facility; and
 - 7.8.5 Pre-EMI/EMIs due and payable under this Agreement.
- 7.9 The Borrowers shall ensure that post-dated cheques submitted to the Lender are honored on its presentation and the Borrowers shall not be entitled to cancel or issue stop payment instructions with respect to the post-dated cheques and for the payment instruction or the mandates as given by the Borrowers towards repayment of the Facility and replace the post-dated cheques or mandates or other instruments executed for repayment by way of installments towards the Facility. As and when required/ demanded by the Lender or otherwise required, the Borrowers shall issue post-dated cheques or revalidate the NACH mandate or other instruments or any other documents in lieu thereof without any protest, contest and demur whatsoever, to the satisfaction of the Lender. In the event, the Borrowers wish to swap/ interchange the cheques/NACH from one bank to another, or for any reason other than that stated hereinabove, the Borrowers may do so by paying to the Lender, the swap charges as per the prevailing rules in force from time to time. Further, in case there is any change in the status of the Borrowers towards repayment of the Facility, the Borrowers agree to issue fresh post-dated cheques or revalidate the NACH mandate or other instruments or any other documents in lieu thereof without any protest, contest and demur whatsoever, to the satisfaction of the Lender.
- 7.10 Escrow account
- In case the repayment of the Outstandings is to be made through the Escrow Account, then the Borrower shall:
- 7.10.1 issue necessary irrevocable instruction to Borrower's bank/financial institution where the Escrow Account is maintained, providing instructions to debit the Escrow Account with the amount which is due on the relevant Due Date or such amount as maybe otherwise specified by the Lender and shall provide a copy of the aforementioned letter to the Lender duly acknowledged by such Bank/financial institution; and
 - 7.10.2 submit a copy of Repayment Schedule and/or any other document(s) as required by the Lender to its/his/her/their Bank/financial institution where the Escrow Account is maintained.

8. **PREPAYMENT**

- 8.1 At the request of the Borrower, the Lender may at its sole discretion, permit the Prepayment of the Facility by the Borrower. In the event the Lender permits the request of the Borrower for Prepayment, then the Prepayment Charges would be leviable at the sole discretion of the Lender and the Borrowers will not raise any objection to the levy of such Prepayment Charges at the rate as set out in the Schedule 1 or as set out by the Lender in the tariff/fees schedule and published on the Lender's Website, as may be fixed by the Lender from time to time. Partial pre-payments subject to a minimum limit

as may be decided by the Lender from time to time may be permitted at the absolute discretion of the Lender.

- 8.2 Prepayment shall be effective on the date of the actual realization of the amount in the account of the Lender.
- 8.3 The Prepayment Charges will still be payable by the Borrower in the event the Prepayment occurs due to an Event of Default.
- 8.4 Subject to the requirements of applicable laws, the Borrower will not be permitted to prepay the Loan along with Interest, either partly or fully, prior to the expiry of six months from the date of the Initial Disbursement, unless otherwise permitted in writing by the Lender.

9. PAYMENT OF SWITCHING OVER CHARGES OR OTHER SUCH CHARGES

In the event, the Lender is offering a revised Interest Rate in the future, the Borrower shall have the option to avail the revised Interest Rate with prospective effect subject to payment of applicable switching over charge and Other Charges as levied by the Lender subject to execution of any documents which the Lender may prescribe in this regard. However, it is clarified that it shall be responsibility of the Borrower to keep himself informed about the revision in Interest Rate from time to time. However, in case the Borrower is/are not willing to avail of such option, it/he/she/they may within sixty (60) days close its/his/her/their Facility Account subject to payment of all Outstandings or switch it without having to pay any extra charges or Interest.

10. INTEREST

10.1 Calculation of interest

- 10.1.1 The Borrower/s shall pay to the Lender, Interest on the Principal which is calculated at daily basis at the Interest Rate (either at the Fixed Rate of Interest or Floating Rate of Interest or a combination of both) as specified in Schedule 2 and in accordance with this Clause. Interest on the Principal will begin to accrue in favour of Lender on and from the date of Disbursement, irrespective of the time taken for transit, collection, realization of the cheque/pay order/Demand Draft/RTGS/NEFT by the Borrower/s or the Borrower's bank. The Interest shall be calculated on the basis of 360 days in a year.
- 10.1.2 The Borrower may make a written application to the Lender to change from Floating Rate of Interest to Fixed Rate of Interest, or vice versa, which application may be accepted or rejected by the Lender at its sole discretion.
- 10.1.3 Lender may, in its sole discretion, be entitled to increase/decrease or alter the Benchmark Rate suitably from time to time during the period of the Agreement and, consequently, the repayment terms of the Facility by amending, varying or modifying the Repayment Schedule, in such manner and to such extent as Lender may in its sole discretion decide. In the aforesaid scenario including in the event Lender changes the Benchmark Rate prior to the disbursement of the full Facility and during the Tenure, the Benchmark Rate increased or varied as aforesaid shall be applicable to the Facility forthwith from the date of such change or such later date during the month in which the Benchmark Rate is changed.
- 10.1.4 Any changes in the Benchmark Rate will be published on the Lender's website and/or on the notice board at their branch offices locations and the same is to be construed as the service/waiver notice of such changes to/by the Borrower/s.
- 10.1.5 For administrative convenience, the Lender may decide at its discretion to keep the amount payable under the Pre-EMI/EMI constant irrespective of the variations in the

Floating Rate of Interest and, therefore, the number of Pre-EMIs/EMIs may vary which shall be binding on the Borrower. Intimation shall be given by the Lender as to the reduced/increased number of Pre-EMIs/EMIs required to be paid by the Borrower upon such change in the Floating Rate of Interest.

10.1.6 The Borrower agrees, undertakes and covenants to reimburse or pay to the Lender such amount as may have been paid or be payable by the Lender to any Governmental Authority on account of any tax or other charges levied on Interest (including any Interest on any Pre-EMI/EMI) by any Governmental Authority. Borrower shall make the reimbursement or payment as and when called upon to do so by the Lender or by such Governmental Authority.

10.1.7 The Borrower agrees that any changes to the Benchmark Rate or any other changes to the terms of the Facility specified in Clause 10.1.3, shall also be binding on the Security Providers.

10.2 **Default Penal Charges**

10.2.1 If the Borrower/s fails to pay any amount of the Outstandings on its relevant Due Date ("**Overdue Amount**"), charges shall accrue on the Overdue Amount from the Due Date up to the date of actual payment ("**Default Penal Charges**") at the **Default Penal Charges** Rate which is set forth in Schedule 1. The **Default Penal Charges** shall be immediately payable by the Borrower/s on demand by the Lender and in the absence of any such demand, on the Due Date of the next Pre-EMI/EMI falling after the date of default. This is over and above the applicable interest on the loan.

10.2.2 The Borrower/s acknowledges that the Facility provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Lender. Interest on the Facility shall be payable every month separately by the Borrowers until the repayment of the Facility by way of Pre-EMI / EMI.

10.3 **Calculation of Interest**

10.3.1 Interest (other than as specified in Clause 10.3.2) shall accrue on a day to day basis and shall be calculated on the basis of 30 days in a month, or such other method as may be decided by the Lender in its discretion.

10.3.2 Interest during the Broken Period shall accrue on a day to day basis and shall be calculated on the actual number of days.

10.4 **Non-Business Days**

If any Due Date falls on a day which is not a Business Day, the Due Date for that payment shall instead be the immediately preceding Business Day provided that for calculation of the period of Interest calculation, the actual Due Date shall be considered.

10.5 **Interest Tax, Goods and Services Tax, Levies and Duties**

All rates of interest mentioned in this Agreement are exclusive of goods and services tax, and any such other levies or duties or any other charges or burden of interest, if any, imposed or levied by the Governmental Authority. The Borrower/s hereby agrees and undertakes to pay to the Lender all such additional tax, other levies, duties, charges, burden of interest, if any, over and above the Interest Rate.

Each Party shall be solely liable for the payment of all central, state and local levies, taxes, duties, fines and penalties, by whatever name called, as may become due and

payable in relation to this Agreement, and any amounts payable by the Borrower to Lender shall be subject to any applicable taxes, as may be applicable from time to time and required to be deducted at source by the Lender on behalf of the Borrower in accordance with the applicable laws and regulations in the state.

11. MONTHLY INSTALMENT

11.1 In order to amortize the Facility over the Tenure, the Borrowers shall pay such amounts as Pre-EMI/EMI to Lender on the Due Dates as detailed in the Repayment Schedule.

11.2 Calculation of Pre-EMI / EMI:

11.2.1 Pre-EMI

- (a) Any amounts paid by the Borrower/s towards the Pre-EMI shall be towards the Interest or any part thereof.
- (b) Any unpaid portion of the Interest (if applicable) with respect to a Pre-EMI shall be added to the Principal with effect from the Due Date with respect to such Pre-EMI.

11.2.2 EMI

- (a) Any amounts paid by the Borrower towards the EMI shall be towards part of the Principal and the Interest, in such proportion as may be specified in the Repayment Schedule.
- (b) The amount of an EMI apportioned towards the Principal shall be accordingly reduced from the Principal with effect from the Due Date for the relevant EMI.

12. FEES AND CHARGES

The Borrower/s shall pay to the Lender the fees and charges as set forth in Schedule 1 of this Agreement.

13. LENDER'S RIGHT TO RECALL THE FACILITY

In addition to the rights available under this Agreement to recall the Facility, the Lender, without any protest from the Borrower, will also have the right to recall the Facility at any time, due to occurrence of the following events amongst others:

- (a) in case of takeover/transfer/ sale or rights of the Borrower or the education institution being run by the Borrower to another entity;
- (b) change in Control of the Borrower without prior written consent of the Lender; and
- (c) in case the education institution run by the Borrower is a 'franchisee', then upon the occurrence of event which causes an adverse impact on the existence of the franchisee.

14. COSTS AND INDEMNITIES

14.1 The Borrower/s shall pay or cause to be paid, all present and future imposts, costs, duties, tax, fees, statutory levies and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any Governmental Authorities or payable otherwise, pertaining to or in connection with the Facility, the Financing Documents and the payment of any and all amounts under the Financing Documents. In the event the Borrower/s fails to pay the monies referred to in

this sub-clause, the Lender will be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower/s.

- 14.2 The Borrower/s shall, whether or not the transactions herein contemplated are consummated, indemnify the Lender against any and all present and future imposts, costs, duties, tax, fees, charges and expenses (including any penalty thereon, if applicable) incurred by the Lender and hold the Lender harmless from and against any and all liabilities with respect to or resulting from:
- (a) failure by the Borrower/s to pay any amount due under a Financing Document on its Due Date;
 - (b) the occurrence of any Event of Default; or
 - (c) funding, or making arrangements to fund a Facility requested by the Borrower/s in a Disbursement Request but not made by reason of the operation of any one or more of the provisions of this Agreement or for any other reason attributable to the Borrower/s; or
 - (d) a Facility (or part of a Facility) not being prepaid in accordance with a notice of prepayment given by the Borrower/s; or
 - (e) any other information produced or approved by the Borrower/s being (or being alleged to be) incorrect, misleading and/or deceptive in any respect; or
 - (f) any enquiry, investigation, subpoena (or similar order) or litigation with respect to the Borrower/s or with respect to the transactions contemplated or financed under this Agreement.
- 14.3 The Borrower/s shall, whether or not the transactions herein contemplated are consummated, indemnify the Lender and each of its officers, directors, employees, representatives, attorneys and agents from and hold each of them harmless against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements incurred by them as a result of, or arising out of, or in any way related to the entering into and/or performance of any Financing Document or the making of any Disbursement, or the use of the proceeds of the Facility or the implementation or consummation of any transactions contemplated herein or in any of the Financing Documents, including, the fees and other costs and charges, of any counsel or any consultant selected or engaged by it, incurred in connection with any investigation or any legal proceedings or in connection with enforcing the provisions of the Financing Documents.
- 14.4 To the extent that the undertakings in this Clause may be unenforceable because they violate any applicable law or public policy, the Borrower/s will contribute the maximum portion that is permitted to pay and satisfy under the applicable law to the payment and satisfaction of such undertakings.
- 14.5 The Borrowers shall be responsible to bear, pay and reimburse to the Lender such costs, stamp duty, registration charges, legal charges and other expenses incurred by the Lender as well as statutory charges in connection with the Financing Documents and other instruments in connection to the Facility, at any time before the full payment of Outstandings and for enforcing the rights or for recovery of the Facility and all amounts payable under the Agreement.
- 14.6 The Borrowers shall be responsible for providing true, correct and complete information/documents in a timely manner with respect to the Borrowers so as to enable to the Lender to make appropriate filings with statutory authorities including but not limited to filings to be made with tax authorities. The Lender shall not be liable for any delay, inaccuracy or inadequacy in the information/documents to be provided by

the Borrowers under this Clause.

15. REPRESENTATIONS

The Borrowers, represent and warrant to the Lender, and confirm that each of representations and warranties contained in this Clause are true, correct, valid and subsisting in every respect as on the date of execution of this Agreement.

15.1 Status

15.1.1 Each of the Borrowers are validly and legally existing and is duly incorporated under the laws of India.

15.1.2 Each of the Borrowers has the power and authority to execute, deliver and perform its obligations under the Financing Documents (to which the Borrower is a party).

15.1.3 Each Financing Document to be executed by the Borrowers, will, when executed, constitute legal, valid and binding obligations on the Borrowers, as the case may be, in accordance with their respective terms and shall be enforceable against the said Borrowers.

15.1.4 All Security Documents when executed, delivered and registered (where necessary or desirable) and when appropriate forms are filed as required under Applicable Law, shall create the security expressed to be created thereby free from all Encumbrances (other than as contemplated under each of the Security Documents).

15.2 Corporate

15.2.1 The Borrower has the corporate power and authority to own, hold and operate its assets and to carry on its businesses.

15.2.2 All statutory registers of the Borrowers: (a) are up-to-date and current; (b) are maintained in accordance with Applicable Law; and (c) contain materially complete and accurate records of all matters required to be dealt with in such books and records.

15.3 Non-conflict

The execution, delivery, entry into and performance by the Borrower/s of, and the transactions contemplated by, the Financing Documents do not and will not conflict with:

- (a) their charter documents;
- (b) any terms of the applicable law; or
- (c) any agreement or instrument binding upon them or any of their assets and does not result in the imposition of liens.

15.4 Assets

15.4.1 The Borrower has good, valid and marketable title to such of its assets as are part of the Secured Property, and such Secured Property is free and clear of any Encumbrances or other security interest except as are expressed to be created under the Security Documents.

15.4.2 The Borrower has not received any notice of acquisition or requisition of any of its assets or for any claims from any authority in respect thereof nor are there any proceedings pending or initiated against the Borrower of which the Borrower has received notice of,

under the provisions of Applicable Law.

15.5 No default

15.5.1 No Potential Event of Default or Event of Default has occurred or might be expected to result from the making of any Disbursements.

15.5.2 No other event or circumstance is outstanding which constitutes a default under (i) any of the Financing Documents or (ii) any other agreement or instrument which is binding on them or their assets to the extent and in a manner which might have a Material Adverse Effect.

15.6 No misleading information

15.6.1 Any information provided by any Borrower to the Lender is true and accurate in all respects as on the date it was provided or as on the date (if any) on which it is stated.

15.6.2 Nothing has occurred and no information has been given, omitted or withheld that results in the information provided by the Borrower/s to the Lender being untrue or misleading in any respect.

15.7 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might be expected to affect the validity or enforceability of this Agreement and the other Financing Documents or have a Material Adverse Effect, have been started or threatened against any Borrower.

15.8 Insolvency

The Borrower/s has not taken any action nor has any other step been taken or is likely to be taken or legal proceedings been started or threatened against the Borrower/s, for insolvency, dissolution, suspension of payments, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Borrower/s or of any or all of their assets or revenues.

15.9 Material Adverse Effect

There are no facts or circumstances, conditions or occurrences which could collectively or otherwise be expected to result in a Material Adverse Effect.

15.10 Undisclosed liabilities

As on the date on which Borrower's most recent audited financial statements were prepared (which, at the date of this Agreement, are the financial statements), the Borrower/s had no liabilities (contingent or otherwise) which were not disclosed thereby (or by the notes thereto) or reserved against therein nor any unrealised or anticipated losses arising from commitments entered into by it which were not so disclosed or reserved against.

15.11 Defaulter

The Borrower or any of its directors or shareholders/partners has not been identified as a wilful defaulter by RBI.

15.12 Compliance with Applicable Law

15.12.1 The operations of the Borrower have been and are conducted in material compliance with all Applicable Laws and no Borrower has received any notice or other communication from any court, tribunal, arbitrator or Governmental Authority with respect to an alleged, actual or potential violation and/or failure by the Borrower to comply with any Applicable Laws.

15.12.2 The Borrower is not a party, defendant or other party in any pending claim, legal action, proceeding, suit, litigation, prosecution or arbitration of which it has summons or notice which has caused or could reasonably be expected to cause any Material Adverse Effect and there are no such claims, legal actions, proceedings, suits, litigations, prosecutions or arbitrations contemplated or threatened.

15.13 Taxation

15.13.1 The Borrower has filed all declarations and returns necessary under the provisions of tax laws within the time period stipulated by such tax laws and, has not received any written notice that such returns are disputed by the tax authorities concerned and that proceedings for recovery of tax have been initiated or are presently pending against them.

15.13.2 The Borrower has paid all taxes which it would be liable to pay or in respect of which they are or may become liable as a result of allotment of Debentures, in accordance with Applicable Laws.

15.13.3 The Borrower has not been involved in any dispute in relation to any income tax, nor has any the Borrower received any notice from the income tax authorities expressing their intention to investigate any of their respective income tax affairs.

15.13.4 The Borrower shall pay all taxes, duties and fees payable under Applicable Law, including but not limited to payment of (a) all present and future taxes imposed on it prior to or on the date when due and (b) all present and future claims, levies or liabilities (including for labour, services, materials and supplies) which have become due and payable.

15.13.5 If any payment shall be subject to any such tax or if the Borrower shall be required legally to make any such tax deduction from any amounts payable or paid by the Borrower pursuant to this Agreement, the Borrower shall promptly deposit the Tax so deducted and also deliver to the Lender, the Tax deduction certificates in respect of such deduction. As used in this Clause, the term "tax" includes all levies, imposts, duties, charges, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax and any other restrictions or conditions resulting in a charge.

15.14 Insurance

The Borrower has obtained all insurances as required under the Financing Documents and such insurances are in full force and effect. No event or circumstances has occurred nor has there been any omission to disclose a fact which in any such case would entitle any insurer to avoid or otherwise reduce its liability there under to less than the amount provided in the relevant policy and insurance coverage provided by such insurance.

15.15 Repeating representations

The representations in this Clause are deemed to be repeated by the Borrower/s on each Disbursement Date, the last day of the relevant period for Interest calculation and on each date of repayment by reference to the facts and circumstances then existing.

16. INFORMATION UNDERTAKINGS

16.1 The Borrower/s shall provide written intimation to the Lender:

- 16.1.1 promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Borrower/s, and which might, if adversely determined, have a Material Adverse Effect;
- 16.1.2 promptly upon becoming aware, the details of any notice of any application for winding up / insolvency of itself having been made or receipt of any statutory notice of winding up/ insolvency or any other notice under any other law or if a receiver is appointed to any of their assets or business or undertaking;
- 16.1.3 promptly, such further information regarding the status, condition (financial or otherwise), assets and business of the Borrower/s as the Lender may request from time to time;
- 16.1.4 promptly upon becoming aware, the details of any proposal by any Governmental Authority to acquire compulsorily the Borrower/s, any of the Security or any part of the Borrowers' business or assets (whether or not constituting an Event of Default hereunder); and
- 16.1.5 promptly upon becoming aware, the details of the occurrence of any event, circumstance or condition which constitutes or results in any representation, warranty, covenant or condition under the Financing Documents being or becoming untrue or incorrect in any respect.

16.2 Access to books and records

The Borrower/s shall provide the Lender or its nominee full access to any of the Borrower's books and records as requested by the Lender.

16.3 Inspections

The Borrower/s hereby permits any officer appointed by the Lender to (i) inspect the Borrowers' premises, assets, documents, books and other materials in the possession of the Borrower/s and (ii) interview / discuss / consult with any of its officers. The Borrower/s shall fully cooperate with the officer appointed by the Lender or its nominee for the purposes of such inspection. The Lender will be entitled to make inspections under this Clause without providing prior notice to the Borrower/s, provided that such inspections shall be in accordance with the fair practices code of the Lender available on the website of the Lender. The cost of any such visits shall be borne by the Borrower/s.

16.4 Notifications

The Borrower/s shall notify the Lender of any Potential Event of Default or Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

17. GENERAL UNDERTAKINGS

17.1 Authorisations

17.1.1 The Borrower/s shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Lender of,

any authorisation (including but not limited to any RBI approvals, if any, required under any law or regulation of India to enable it to perform its obligations under the Financing

Documents, creation and perfection of the Security and to ensure the legality, validity, enforceability or admissibility in evidence of any Financing Document.

- 17.1.2 The Borrower undertakes to ensure that the Financing Documents remain in full force and effect notwithstanding the occurrence of any one or more of the following: (a) extension of the time of payment of the whole or any part of the Facility; (b) any change in the terms and conditions of the Facility; (c) acceptance by the Lender of any guarantee, collateral or security of any kind for the payment of any of the Outstandings; (d) surrender, release, exchange or alteration of any Security, either in whole or in part; or (e) release, settlement, discharge, compromise, change or amendment, in whole or in part, of any claim of the Lender against the Borrower, the Security Provider, or any other party secondarily or additionally liable for the payment of any of the Outstandings.

17.2 Compliance with applicable laws

The Borrower/s shall comply in all respects with all Applicable Laws (including laws applicable to educational institutions) to which it may be subject and shall at all times carry on and conduct its affairs in a lawful manner.

The Lender has an established Grievance Redressal Mechanism (GRM) to resolve customer grievances in accordance with the Reserve Bank of India guidelines. The GRM is set out under the Lender's Fair Practice Code (Code), which is displayed on Lender's Website, the link for the same is as follows: www.auxilo.com/customer-grievances. The Code is subject to be updated/ amended from time to time in adherence to the Reserve Bank of India Guidelines.

The GRM consists of 3 Levels to ensure customer complaints are addressed timely. The Customer can register the complaint through the customer helpdesk, the resolution of which is provided in a turnaround time as per the Code; the Customer can, if the Complaint is not addressed, can register the Complaint with Grievance Redressal Officer at Level 2. If the complaint is not redressed within a period of one month, the Customer may then appeal to the Reserve Bank of India

17.3 Purpose

The Borrower/s shall apply all amounts borrowed by it under the Facility solely for the Purpose. The Borrower has expressly desired to avail the Facility from the Lender for the Purpose, by way of the loan application form. The Borrower agrees, confirms and undertakes to use the Facility Amount or Loan Amount only for the Purpose set out in the Schedule 2 or as otherwise approved in writing by the Lender, upon application by the Borrower. The Facility Amount or Loan Amount must not be used for any illegal activity, stock market transactions, gambling, chit fund or any other activity prohibited under any Applicable Laws or specified by the Lender as restricted activity.

17.4 Insurance

- 17.4.1 The Borrower shall ensure that the Secured Property is adequately insured at its own expense for major risks like fire, theft, accident, earthquake and disruption of business. The Borrower shall keep its present and future properties and business duly insured with financially sound and reputable insurers in each case satisfactory to the Lender.
- 17.4.2 The Borrower shall ensure that the aforementioned insurance cover would be kept valid throughout the tenure of the Facility and insurance covers against loss of Assets securing the Facility to be assigned in favour of the Lender.
- 17.4.3 The Lender at its sole discretion but at the cost of the Borrower, call for any other insurance cover as may be required and deemed necessary, in the opinion of the Lender, to cover the risks related to the Secured Property.

17.5 Payments and Compliance

The Borrower/s shall pay and discharge, at or before maturity, all of their obligations and liabilities, including without limitation, taxes, duties and fees payable by the Borrower/s under the applicable law, and pay all present and future claims, levies or liabilities (including for labour, services, materials and supplies) which have become due and payable.

17.6 Obligations Violated

The Borrower/s shall promptly inform the Lender of any condition which interferes with or threatens to or is likely to interfere with the performance of their obligations under any Financing Document.

17.7 Pari Passu Ranking

The Borrower/s shall ensure that the Borrower's payment obligations and the claims of the Lender against the Borrower under the Financing Documents rank and continue to rank at least *pari passu* with the claims of all of the Borrower's other unsecured and unsubordinated creditors, except as provided in the Security Documents and/ or for obligations mandatorily preferred by law.

17.8 Further Assurance

The Borrower/s shall from time to time, at the request of the Lender, do or procure the doing of all such acts and will execute or procure the execution of all such documents as the Lender may reasonably consider necessary for giving full effect to each of the Financing Documents or securing to the Lender the full benefit of all rights, powers and remedies conferred or purported to be conferred upon the Lender in any of the Financing Documents.

17.9 Settlement

The Borrower/s shall not agree, authorise or otherwise consent to any proposed settlement, resolution or compromise of any litigation, arbitration or other dispute with any person which in the opinion of the Lender may have a Material Adverse Effect.

17.10 Disclosure clause

The Borrower/s also agree, undertake and confirm as under:

17.10.1 The Borrower/s understand that as a precondition relating to the grant of and / or continuing the grant of Facility to the Borrower/s, the Lender requires the Borrowers' consent for the disclosure by the Lender of, information and data relating to the Borrower/s, of the Facility availed of / to be availed by the Borrower/s, in discharge thereof.

17.10.2 Accordingly, the Borrower/s hereby agree and give consent for the disclosure by Lender of all or any such information and data relating to the Borrower/s and/ or the information of data relating to the loans availed of / to be availed by the Borrower/s and / or default, if any, committed by the Borrower/s, in discharge of the Borrowers' such obligation as the Lender may deem appropriate and necessary, to disclose and furnish to Credit Information Companies, CERSAI, C-KYC, NESL, NSDL, Judiciary, Banks, Financial Institution, Income Tax Department, regulatory for the entity of the borrower, and any other agency authorised by RBI / State or Central government.

17.10.3 The Borrower/s declare that the information and data furnished by Borrower/s to the Lender are true and correct.

17.10.4 The Borrower/s also undertake that:

- (a) Credit Information Companies and any other agency so authorised may use, process the said information and data disclosed by the Lender in the manner as deemed fit by them; and
- (b) Credit Information Companies and any other agency so authorised may furnish for consideration, the processed information and data disclosed, or products thereof prepared by them, to bank(s)/ financial institution(s) and other credit grantors or registered users.

17.10.5 The Borrower/s also authorise and give consent to the Lender to conduct background checks on the Borrower/s and procure know your customer information, including accessing information available with educational boards, educational institutions, universities and other authorities.

17.10.6 The Borrowers agree as a pre-condition of the Facility granted by the Lender that in case any default is committed in the repayment of the Facility or Interest thereon on the Due Date/s, the Lender and/or the RBI will have an unqualified right to disclose or publish the name and photograph of the Borrowers as defaulters in such manner and through such medium as the Lender or RBI in their absolute discretion may think fit;

17.10.7 Subject to the provisions of this Agreement, the parties shall keep the Financing Documents and any documents or written information delivered hereunder confidential and shall not disclose, or cause to be disclosed, the same to any person without the consent of the other party. However, the Lender may disclose such information:

- (a) to the prospective transferees of the Lender's entire or partial interest in the Financing Documents (or any such potential transferee's counsel, insurance brokers, investment bankers, auditors or accountants); and / or
- (b) to its counsel, insurance brokers, Affiliates, vendors, investment bankers, auditors or accountants, financiers, potential financiers, shareholders, potential shareholders and other professional advisors.

17.10. 8 The Borrower understands that the Lender and/or its third party are entitled to update, modify, make relevant additions or deletions with respect to the Lender's credit information as well as to create, download and report the credit history or credit information of the Borrower as may be necessary and applicable from time to time.

The Borrower understands that the Lender, its third Party, regulator, any authority or any Statutory Authority shall be entitled to send and receive Short Messaging Service (SMS), courier, electronic mails, emails, registered or certified mails or communicate through any other digital mode of communication with the Lender relating to the Credit Information or any subject matter under this Agreement.

17.11 Credit Rating

Upon a request from the Lender, the Borrower shall, at its own cost, get its financial position rated from an accredited credit rating agency chosen by the Lender.

17.12 Other Undertakings

17.12.1 The Borrowers shall not without the prior permission of the Lender obtain any other financial assistance which would involve the repayment by the Borrowers from their income sources/salary so as to hinder the payment to the financial assistance availed

from the Lender. The Borrowers agrees that if any such loan amount has already been availed by the Borrowers either prior to the sanction of the Facility under this Agreement or subsequently if the lender comes to its notice, the Borrower shall immediately notify the Lender about the same. The Lender in such an event reserves the right to review its decision to grant or disburse the Facility under this Agreement.

17.12.2 In the event of death of a guarantor or Co-Borrowers for the Facility (if the Facility obligations are guaranteed by a third party), then the Borrowers shall be obliged to arrange for suitable replacement guarantor/Co-Borrower as may be acceptable to the Lender and cause such guarantor/Co-Borrower to execute a fresh guarantee agreement/Co-Borrowers and such other documents as may be required by the Lender in a form satisfactory to the Lender. The rights of the Lender under this Clause shall be subject to the Lender's right to treat the death of Co-Borrower as an Event of Default under Clause 17.1.

17.13 Set Off & Lien

17.13.1 The Lender shall have the right of set-off/net off on the deposits, of any kind and nature (including fixed deposits) held/balances lying in any accounts of the Borrowers and on any monies, securities, bonds and all other assets, documents, deeds and properties held by/under the control of the Lender/ their trustees or agents (whether by way of security or otherwise pursuant to any contract entered/to be entered into by the Borrowers in any capacity) to the extent of all Outstandings, whatsoever, arising as a result of any of the Lender's services extended to and/or used by the Borrowers and/or as a result of any other facilities that may be granted by the Lender to the Borrowers. The Borrowers also note the lien available to the Lender on the aforesaid assets.

17.13.2 In the event the Borrowers commit default in payment of the instalments due on the Facility, in addition to anything contained in this Agreement, the Lender will, at its sole discretion and in exercise of general lien, appropriate (even without the consent of the Borrowers) any deposits and/or survival benefit amounts of life insurance policies assigned to the Lender, standing to the credit of the Borrowers for satisfying the Outstandings.

18. NEGATIVE COVENANTS

During the subsistence of the Facility, the Borrower undertakes not directly or indirectly to any of the following without the prior written consent of the Borrower:

- 18.1 wind up, liquidate or dissolve its affairs;
- 18.2 enter into any transaction of merger, spin-off, consolidation, reorganisation or implement any scheme of amalgamation or reconstruction;
- 18.3 effect any change in its nature or constitution;
- 18.4 effect any change in their respective capital structure;
- 18.5 amend or modify its constitution or charter documents;
- 18.6 allow any actions or enter into or give effect to any agreements, arrangements or understandings that result in a change in the management or Control of the Borrower;
- 18.7 change its respective accounting policies presently followed except as required under Applicable Law;
- 18.8 create any charge, mortgage, pledge, hypothecation, lien or other Encumbrance over its Assets in favour of any person other than the Lender;

- 18.9 undertake a substantial change in their businesses and/or operations;
- 18.10 undertake any change in ownership or Control or management of the Borrower;
- 18.11 declare or pay any dividend or authorise or make any distribution to its shareholders;
- 18.12 incur any guarantee or indemnity in respect of any Person; and
- 18.13 change the scope of the Purpose without prior approval of the Lender.

19. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause is individually or collectively, an Event of Default.

- 19.1 Utilization of the Facility or any part thereof for any purpose other than the Purpose specified herein or failure of the Borrower/s to provide proof end use of the Facility, to the Lender.

19.2 Non-payment

The Borrower/s does not pay on the relevant Due Date or any other amounts payable pursuant to a Financing Document at the place and in the manner provided in the Financing Document.

19.3 Other obligations

The Borrower/s does not comply with any provision, representation, warranty, covenants and obligations of the Financing Documents.

19.4 Misrepresentation

Any representation or statement made or deemed to be made by the Borrower/s in the Financing Documents or any other document delivered by or on behalf of the Borrower/s under or in connection with any Financing Document is or proves to have been incorrect or misleading in any respect when made or deemed to be made or repeated.

19.5 Cross default

- 19.5.1 Any indebtedness of the Borrower/s or any of its Affiliates incurred from any party is not paid when due nor within any originally applicable grace period.
- 19.5.2 Any indebtedness of the Borrower/s or any of its Affiliates incurred from any party is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- 19.5.3 Any creditor of the Borrower/s or any of its Affiliates becomes entitled to declare any indebtedness of the Borrower/s due and payable prior to its specified maturity as a result of an event of default (however described).

19.6 Insolvency

- 19.6.1 The Borrower/s is or is presumed or deemed to be unable or admit inability to pay the Borrower's debts as they fall due, suspend making payments on any of their debts or, by reason of actual or anticipated financial difficulties, commence negotiations with one or more of their creditors with a view to rescheduling any of the Borrower's indebtedness.

19.6.2 The value of the assets of the Borrower/s is less than the Borrower's liabilities (taking into account contingent and prospective liabilities).

19.6.3 A moratorium is declared in respect of any Indebtedness of the Borrower/s.

19.6.4 Application is made against or any notice is received by the Borrower/s under the Insolvency and Bankruptcy Code, 2016, as amended from time to time.

19.7 Insolvency proceedings

Any corporate action, legal proceedings or any other procedure or step is taken in relation to:

19.7.1 the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Borrower/s;

19.7.2 a composition, compromise, assignment or arrangement with any creditor of the Borrower/s or any class thereof;

19.7.3 the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, provisional supervisor or other similar officer in respect of the Borrower/s or any of the Borrower's assets; or

19.7.4 enforcement of any Security over any assets of the Borrower/s or any analogous procedure or step is taken in any jurisdiction.

19.8 Termination or Cessation of Financing Documents

Any of the Financing Documents:

19.8.1 ceasing to exist, to be valid, effective or enforceable (or is claimed by the Borrower/s to not exist or be invalid, ineffective or unenforceable);

19.8.2 being terminated in a manner not in accordance with the terms of that Financing Document.

19.9 Litigation

Any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Borrower/s or any of the Borrower's assets which has or could reasonably be expected to have a Material Adverse Effect.

19.10 Authorisations

19.10.1 The Borrower/s fails to obtain, renew, maintain or comply with in any respect with any authorisation including for the execution, delivery, performance and enforcement of the Financing Documents to which they are a party, or

19.10.2 Any such authorisation is rescinded, terminated, suspended, modified or withheld or is determined to be invalid or shall cease to be in full force and effect.

19.11 Change in control or other event

There occurs a change in the Control, management and /or the financial condition of the Borrower or occurrence of any event, which is or may be prejudicial to the interest of the Lender and/or which is likely to materially and / or adversely affect the ability of the

Borrower to perform all or any of its obligations under this Agreement.

19.12 Material Adverse Effect

There occurs or is likely to occur, in the reasonable opinion of the Lender, a Material Adverse Effect.

19.13 If the Security provided to the Lender for the said Facility, depreciates in value to such an extent that in the opinion of the Lender additional security should be given and such security is not given, in spite of being called upon to do so, within the time limit, prescribed by the Lender for the purpose;

19.14 If the Security and/or additional security provided to the Lender for the Facility is sold, disposed of, charged, encumbered or alienated;

19.15 If any authority passes an order for the attachment of the assets over which Security and/or additional security has/have been created or any part thereof and/ or certificate proceedings are taken or commenced for recovery of any dues from the Borrowers;

19.16 Any of the Borrowers fail to create Security and/or additional security, as required by the Lender;

20. CONSEQUENCES OF AN EVENT OF DEFAULT

20.1 On and at any time after the occurrence of an Event of Default, the Lender may take one or more of the following actions including:

20.2 debiting the Escrow Account up to the extent of the Outstandings (of part thereof). For this purpose, the Borrower irrevocably authorizes the Lender to issue necessary irrevocable instruction(s) to the bank/financial institution where the Escrow Account is maintained, to debit the Outstandings (of part thereof) lying in the Escrow Account and pay the same to the Lender.

20.2.1 cancel the Facility or any part thereof;

20.2.2 accelerate the repayment and declare that all or part of the Outstandings to be immediately due and payable, whereupon they shall become immediately due and payable;

20.2.3 sue for any or available creditor's process and enforce any of the Security created pursuant to the Security Documents and take possession of or transfer or deal with or dispose of, the assets provided as security by way of assignment, lease or leave and license or sale or in any other manner, and exercise all or any of its rights in respect thereof in such other manner as it may deem fit;

20.2.4 To declare the Security and/or additional security to be enforceable, and the Lender shall have, *inter alia*, the following rights, namely:

(a) to enter upon and take possession of the assets comprised within the Security and/or additional security; and/or

(b) to transfer the assets comprised within the security created, if any by way of lease, leave and licence, sale or otherwise; and/or

(c) liquidate the fixed deposits, life insurance policies, post office savings, national savings certificate, kisan vikas patra or any other form of fixed deposit schemes.

20.2.5 exercise such other rights as may be available to the Lender under the Financing

Documents and under law;

- 20.2.6 disclose or publish to any media bodies/newspapers or regulatory authority including the RBI, Governmental Authority or any court of law, concerned educational institution, university, judicial body, quasi-judicial body or any such Person, the name of the Borrower and and/or any of the directors of the Borrower/s as defaulter in such manner and through such medium as the Lender or the RBI or Credit Information Companies in their absolute discretion deem fit.
- 20.3 The Borrower/s shall pay the Default Penal Charges for the period of default.
- 20.4 In addition to the above mentioned right(s) or any other right(s) which the Lender may at any time be entitled whether by operation of applicable law, contract or otherwise, the Borrowers authorise the Lender:
- 20.4.1 to combine or consolidate at any time all or any of the accounts and liabilities of the Borrowers with or to any branch of the Lender or to any other entity for the purpose of securitization or otherwise.
- 20.4.2 to sell or dispose of any of the Borrowers' securities or properties held by the Lender by way of public or private sale or assignment or in any other manner whatsoever without having to institute any judicial proceeding whatsoever and retain/appropriate from the proceeds derived therefrom, towards the total amounts outstanding against the Lender from the Borrowers, including costs and expenses in connection with such sale / transfer/ assignment.
- 20.5 Notwithstanding the rights available to the Lender under this Agreement, the Lender shall upon an occurrence of an Event of Default have a right to call upon the Borrower/s to prepay the Outstandings, whereupon they shall become immediately due and payable.
- 20.5A The Lender shall have the right, on the occurrence and the continuance of an Event of Default, to appoint, remove and replace from time to time, a [trustee/ member] on the [board of trustees/ governing body] of the Borrower (such [trustee/member] is referred to as the "Representative"). The appointment or removal of the Representative shall be by a notice in writing by the Lender addressed to the Borrower and shall (unless otherwise indicated by the Lender) take effect forthwith upon such a notice being delivered to the Borrower. The Representative shall be entitled to such rights and privileges as available to other [trustees/members] of the Borrower
- 20.6 **Notice to the Lender**
- If any Potential Event of Default or Event of Default occurs, the Borrower/s shall, forthwith give notice to the Lender in writing specifying the nature of such Potential Event of Default or Event of Default.

21. **ASSIGNMENTS AND TRANSFERS**

The Lender may at any time assign, transfer or novate the Facility or any part thereof and / or rights and / or obligations in whole or in part under the Financing Documents to any other person, including but not limited to a bank, financial institution, special purpose vehicle or a trust (including for the purpose of securitisation) without the consent of the Borrower/s and or imposing any additional obligations on the Borrower/s.

The Borrower hereby acknowledges Lender's right to recover the Outstanding subject to applicable law. The Borrower acknowledges the Lenders rights, powers and remedies

under Law and consents that the same may be exercised by the Lender or Recovery Agents. The Lender may delegate or authorize the Recovery Agents to recover the Outstanding in the event of delay in making the payment towards the Loan Amount and or any other outstanding amounts payable under the Agreement, and/or to enforce any security and may furnish to the Recovery Agents the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto as the Lender thinks fit.

22. APPLICATION OF SARFAESI ACT, 2002

Without prejudice to the right of the Lender to proceed against the Borrowers under applicable law for recovery of Outstandings, the Borrowers hereby give consent that the Lender will be entitled, subject to applicable law, to recover the dues, assign the debt and/or securities under the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Borrowers agree to pay the Lender all cost, charges and expenses incurred in that connection.

23. BORROWER NOT TO ASSIGN

The Borrower/s shall not assign, transfer, novate or otherwise dispose of all or any part of the Borrower's rights, title, interests and obligations under this Agreement or any other Financing Document.

24. DISPUTE RESOLUTION AND ENFORCEMENT

If any dispute, controversy or claim between the Parties arises out of or in connection with the Facility Agreement, any Financing Documents, including the breach, termination or invalidity thereof ("**Dispute**"), Dispute shall be referred to and finally resolved by arbitration in accordance with the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**"). The arbitration shall be a sole arbitrator who shall be mutually appointed by the Parties. The seat or legal place of arbitration shall be Mumbai and any award shall be treated as an award made at the seat of the arbitration. The language to be used in the arbitral proceedings shall be English.

Alternatively, and without prejudice the rights and remedies of the Lender mentioned herein, the Lender shall have sole discretion and/or have exclusive rights to invoke any other appropriate remedy/ies under any other applicable provisions of applicable law against the Borrowers for any events of default and/or terms, conditions, covenants and undertakings mentioned in this Agreement by the Borrowers.

Nothing herein contained shall be construed as extinguishing, limiting or ousting the rights and remedies of the Lender, if available now or in the future as against the Borrower, the Promoters of the Borrower, the Security providers and/or the Guarantors, if any and/or any other Persons, or any of their respective assets, under any applicable law/ rules and the Lender shall stand absolutely entitled to exercise such rights/remedies thereunder irrespective of the initiation, pendency or continuation of any other arbitral or other proceedings.

25. MISCELLANEOUS

25.1 Governing Law

This Agreement and the relationship between the Parties hereto shall be construed, interpreted and governed by the laws of India. Subject to the provisions of Clause 24, the courts at Mumbai shall have exclusive jurisdiction in relation to all matters arising out of the Financing Documents.

25.2 Notices

25.2.1 Any communication to be made under or in connection with the Financing Documents by the Lender to the Borrowers shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by Short Messaging Service (SMS), courier, electronic mail, email, registered or certified mail or facsimile. The Borrower/s authorised the Lender to communicate with it vide the email address of the Borrower/s registered with the Lender, telephonic, messages and related services, regardless of any restricting legal / regulatory provisions in this regard. The communication details for the Borrower/s are set out in Schedule 2.

25.2.2 All communications to the Lender shall be sent to the Lending Office of the Lender or as specifically mentioned in the Agreement otherwise.

25.2.3 Either party may provide any substitute address or fax number or department or officer as the party may notify to the other party by not less than five (5) Business Days' notice.

25.3 Force Majeure

In the event, the Lender is unable to fulfil any of its obligation/s under the Agreement because of any acts, events or circumstances beyond the reasonable control of the Lender, then such obligation/s shall remain suspended till the time that the aforesaid act, events or circumstances continue.

25.4 Delivery

All such notices and communications shall be effective (i) if sent by facsimile, when sent (on receipt of a confirmation to the correct facsimile number), (ii) if sent by person, when delivered, (iii) if sent by courier, (a) one (1) Business Day after deposit with an overnight courier if for inland delivery and (b) five (5) Business Days after deposit with an international courier if for overseas delivery and (iv) if sent by registered letter when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not (v) if sent by email, once it has gone out of the mailbox of the sender.

25.5 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

25.6 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

25.7 Amendments and waivers

No waiver of any provision, or right, remedy or power under, this Agreement shall be effective unless it is in writing signed by the authorised representative of the relevant party. Any amendment to this Agreement shall be in writing and executed by both the Parties. However, notwithstanding the foregoing, in the event that any changes are required to be made to the terms contained in Schedule 2 (other than for an increase in the Facility Amount) pursuant to a request from the Borrower, such terms shall stand amended by way of an email communication from the Lender to the registered email address of the Borrowers.

25.8 Survival clause

Notwithstanding anything to the contrary contained herein, the provisions of this Agreement which customarily survive termination, shall survive the termination of this Agreement.

25.9 Authorizations

Each of the Borrowers irrevocably authorizes the other Borrowers severally to execute any Financing Documents, request of disbursement, future disbursement(s), make correspondence, increase or decrease the Facility Amount, prepayment either part or full. The Borrowers undertake that the acts of any one of them shall bind the other borrowers jointly and severally. However, it is clarified that the obligation of the Borrower/Guarantor(s) under this Agreement are separate from their respective obligations under any other arrangement which such Borrower/Guarantor has entered into with the Lender.

25.10 Full understanding of the Agreement

The Borrowers agree that they have read and understood the Agreement and in the event that any of the Borrowers is illiterate and/or cannot read English language, the terms and conditions of this Agreement have been read over, translated and explained in detail in the vernacular language to the Borrower.

25.11 Time of the essence

The Borrowers agree that time is of the essence with respect to all the obligations of the Borrowers under the Agreement.

25.12 Sanction Letter

The terms of the Sanction Letter shall be deemed to be incorporated in this Agreement.

25.13 Counterparts

This Agreement may be executed digitally or and / or physically in any number of counterparts, which will have the same effect as if the signatures on the counterparts were on a single copy of this Agreement. Delivery of an executed counterpart via electronic mail or by any other electronic mode in portable document format (.pdf) will constitute delivery of an originally signed counterpart hereto.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date of execution set forth in Schedule 2.

Signed and delivered for and on behalf of **AUXILO FINSERVE PRIVATE LIMITED** Signed and delivered for and on behalf of the **BORROWER NAMED IN SCHEDULE 2**

By: _____

By: _____

Designation: _____

Designation: _____

Signed and delivered for and on behalf of the
CO-BORROWER NAMED IN SCHEDULE 2

By: _____

Designation: _____

SCHEDULE 1

SCHEDULE OF FEES AND CHARGES

SR.NO	LIST OF SERVICES	PARTICULARS
1	Processing Fee (PF)	As per Sanction Letter
2	Cheque/NACH/ Pre-EMI/ EMI bounce charges	Rs.400 plus applicable tax
3	Default Penal Charges (on delayed instalment)	24% per annum plus applicable tax
4	Prepayment Charges	5% plus applicable tax of principal outstanding
5	Property Legal and Technical verification charges	Included in the PF for one property and any additional property given as security during the course of the loan tenor charges Rs. 10000/- plus applicable tax
6	Loan Recovery Charges (Legal & incidental)	As per actuals
7	Demand Draft / Pay order issuance charges	Applicable as per Actual Bank Charges
8	Demand Draft Cancellation charges	Rs. 500 plus applicable tax
9	ROI Conversion charges	As per applicable Company Policy
10	Non-Postal Stamp / Stamp Duty on Loan documents	Applicable as per State Stamp Act
11	NACH/Cheque/NACH swapping charges	Rs. 500 plus applicable Tax
12	Duplicate No dues Certificate	Rs.250 plus applicable Tax
13	Copies of Property documents – Hard Copies / Scan images (including documents retrieval from storage)	Rs. 2000 plus applicable tax
14	Custodian Fee for keeping Original Property documents after loan is closed	Rs.750 plus applicable Tax per month post 30 days from the loan closure date
15	Each personal visit to customer's place for collection of dues or instalment cheque /DD/Payment	As per actuals
16	Cash collection charges	1% of the cash collection plus applicable Tax
17	Loan Foreclosure letter / statement (More than once within three months)	Rs. 300 plus applicable Tax per letter / statement
18	Documents Retrieval & Handling charges while handing over security documents and Cheques on closure of loan	Rs. 1000 plus applicable Tax on unsecured case / secured with other than property Rs. 2000 plus applicable Tax on secured case with Property
19	CERSAI Registry Charges	As per actual
20	CERSAI modification charges	As per actual
21	Disbursement Transaction RTGS/NEFT bounce due to wrong accounts details provided	Rs.150 plus applicable Tax per transaction
22	Swapping of security property	Rs.10000 plus applicable Tax per property including legal and technical verification
23	Original Property documents requested for inspection by the regulatory	Rs.7000 per request
24	Mortgage / security creation charges	Applicable as per State Law
25	Any other charges applicable from time to time as per state or central government notification /amendment	

Note: The above stated tariff shall change from time to time and the same shall be displayed on the Lender's website.