

ICICI BANK LIMITED'S (ALL-INDIA) STANDARD TERMS AND CONDITIONS

**FOR AGRI CREDIT LINE(ACL) , AGRI CREDIT PLUS(ACP), SMALL AGRI LOAN (SAL) - (ANY FACILITIES OF OVERDRAFT, CASH CREDIT, LETTER OF CREDIT, BANK GUARANTEE)**

[Registered on 19.10.2010, with the Sub-Registrar of Assurances VII, New Delhi  
Vide registered Document No. 697 in Book No.4, Vol.1433, on pages 49 to 78]

DEFINITIONS AND CONSTRUCTION

PART A

- 1.A. In these terms and conditions (the "Standard Terms", as referred to in the Application Form), unless there is anything repugnant to the subject or context thereof, the expressions listed below, if applicable, shall have the following meanings:
- i. "Account" shall have the meaning ascribed to it in section 2.2 hereof
  - ii. "Application Form" means, as the context may permit or require, any or each of the application(s) request(s), along with annexures/addendas if any, submitted by the Applicant to ICICI Bank from time to time for applying for and availing of the Facility, together with the Facility application form – Preliminary and Final/Credit Application all other acceptances, information, particulars and clarifications, letters and undertakings and declarations, if any, furnished by the Applicants or any other persons from time to time in connection with the Facility.
  - iii. "Applicable Rate" means the sum of I-BASE + applicable term premia and "spread/margin" per annum, subject to minimum rate of I-BASE, plus applicable interest tax or other statutory levy, if any.
  - iii "Applicant" means the applicant and co-applicant(s) which expression shall mean, as the subject may permit or require, mean any or each of the Applicant/s and their respective heirs, legal representative, executors , administrators, permitted assigns, successors, as the case may be who have applied for availing the Facility from ICICI Bank for the purpose specified in the Application Form and includes, depending on the nature of the Applicant: (a) its successors and permitted assigns, if the Borrower/s is a company within the meaning of the Companies Act 1956 or a society registered under the applicable laws relating to societies; (b) any or each of the partners and their survivor(s) or the partner(s) from time to time and their respective heirs, legal representatives, executors, administrators and permitted assigns, if the Borrower/s is partnership firm within the meaning of the Indian Partnership Act, 1932; (c) his / her heirs, legal representatives, executors, administrators and permitted assigns, if the Borrower/s is an individual and/or carrying on business as a sole proprietary concern; (d) the Karta and any or each of the adult members of the HUF and their survivor(s) and his/ her / their respective heirs, legal representatives, executors, administrators and permitted assigns, if the Borrower/s is a joint Hindu Undivided Family; and (e) the trustee(s) for the time being thereof and the successors and permitted assigns of the trust/trustees, if the Borrower/s is a trust.
  - iv "Borrower/s" means and refers, jointly and severally, to the Applicant/s who has / have been sanctioned/granted the Facility by ICICI Bank based on the Application Form submitted by such Applicant/s to ICICI Bank for availing of the Facility and includes, depending on the nature of the Borrower/s: (a) its successors and permitted assigns, if the Borrower/s is a company within the meaning of the Companies Act 1956 or a society registered under the applicable laws relating to societies; (b) any or each of the partners and their survivor(s) or the partner(s) from time to time and their respective heirs, legal representatives, executors, administrators and permitted assigns, if the Borrower/s is partnership firm within the meaning of the Indian Partnership Act, 1932; (c) his / her heirs, legal representatives, executors, administrators and permitted assigns, if the Borrower/s is an individual and/or carrying on business as a sole proprietary concern; (d) the Karta and any or each of the adult members of the HUF and their survivor(s) and his/ her / their respective heirs, legal representatives, executors, administrators and permitted assigns, if the Borrower/s is a joint Hindu Undivided Family; and (e) the trustee(s) for the time being thereof and the successors and permitted assigns of the trust/trustees, if the Borrower/s is a trust. The expression "Borrower" shall, as the subject or context may permit or require, any or each of the Borrower/s and / or shall third party security provider(s).
  - v. "Business Day" means a day on which the Registered / Corporate /Zonal /Regional /Branch Office of the Bank described in these Terms, or such other office as may be notified by the Bank to the Borrower, is open for normal business transactions.

- Vi.** "Credit Application" means, as the context may permit or require, any or each of the application(s) / request(s), if any, made by the Borrower to the Bank for the Facilities, and all acceptances, information, particulars and clarifications furnished by the Borrower from time to time in respect of the Facilities.
- Vii.** "Credit Rating Agency" shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited, CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moodys and Standard & Poor's and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.
- viii.** "Drawing Power" in connection with the relevant Facilities, means the drawing power of the Borrower to make draws from time to time under each of such Facilities upto the amount of respective Limits but not exceeding the value of the security, if any, provided to the Bank for such Facilities less the corresponding Margin.
- ix.** "Due Date" means the date(s) on which any amounts in respect of the Facilities including principal, interest or other monies, fall due in terms the Transaction Documents.
- X.** "Encumbrance" includes a mortgage, charge, lien, pledge, hypothecation, security interest or any lien or right of any description whatsoever.
- Xi.** "Event of Default" means any of the Events of Default specified in Section 6.1 hereof.
- xii.** "Facilities" shall have the meaning ascribed to it in Section 2.1 hereof.
- xiii.** "Guarantor" shall mean such person(s) or entity/entities as are more particularly described in the Final Application Form, providing irrevocable and unconditional guarantee (s) to secure the Facility availed by the Borrower, in favour of ICICI Bank for the due repayment of the Facilities and the payment of all interest and other monies payable by the Borrower in the form prescribed by ICICI Bank.
- Xiv.** "Indebtedness" means any indebtedness whatsoever of the Borrower at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, credits, deposits, hire- purchase and leasing).
- XV.** "I- Base" or "ICICI Bank Base Rate" means the percentage rate per annum decided by ICICI Bank from time to time and announced / notified by ICICI Bank from time to time as its base rate.
- Xvi.** "Intellectual Property" means all patents, trademarks, permits, service marks, brands, trade names, trade secrets, proprietary information and knowledge, technology, computer programs, databases, copyrights, licences, franchises, formulae, designs, rights of confidential information and all other intellectual property.
- xvii.** "Intellectual Property Rights" mean all rights, benefits, title or interest in or to any Intellectual Property, anywhere in the world (whether registered or not and including all applications for the same).
- xviii.** "Irregularity" means and includes draws by the Borrower exceeding the Drawing Power / Limits stipulated from time to time by the Bank against the Facilities and/or non-compliance or breach of the terms and conditions of any authorisation and /or applicable law and / or any Transaction Documents.
- Xix.** "Limits" shall have the meaning ascribed to it in Section 2.1 hereof.
- XX.** Loan Terms shall mean the terms and conditions in the Application Form (s) and specified / referred to in the Application Form (s) as well as "ICICI Bank Limited's (All-India) Standard Terms & Conditions (the "Standard Terms", which expression shall include all amendments made thereto from time to time) as well as the other Transaction Documents (as defined in the Standard Terms (collectively, the "Loan Terms", which expression shall include all amendments made thereto from time to time) governing the Facility and the sanction and disbursement / draws of the Facility.
- XXi.** "Margin" shall have the meaning ascribed to it in Section 2.3 hereof.
- XXii.** "Minimum amount Due" refers to an amount equivalent to 5% of the amount outstanding in the account or amount of the limit, whichever is lower, on the last day of the immediately preceding month or as may be prescribed by ICICI Bank from

time to time along with the withdrawals over the available limit would be required to be paid on or before 25<sup>th</sup> of each month.

- XXiii.** "Material Adverse Effect" means the effect or consequence of any event circumstance which is or is likely to be :
- a. adverse to the ability of the Borrower or any person to perform or comply with any of their respective obligations under any Transaction Document in accordance with their respective terms; or
  - b. prejudicial to any of the businesses, operations or financial condition of the Borrower or its project(s) or of any person who is party to any Transaction Document.
- xxiv. "Security Provider" means the Borrower and/or such person(s) who provide(s) security, on any or all of the assets (including the Property) or otherwise, as and when required by the Bank.
- xxv. "Overall Limits" shall have the meaning ascribed to it in Section 2.1 hereof.
- XXvi.** "Property" means the property detailed in the Credit Application and which is owned / acquired by / in possession of the Borrower and / or the relevant Security Provider, and which includes:
- (a) in the case of a part of a building / premises in a building, the entire built-up area (and any additions thereto) of such part / premises, the proportionate share in the common areas / facilities / easements of such building / premises and the proportionate undivided share in the land on which such building / premises is situated
  - (b) in the case of an independent structure, the structure and entire plot of land on which such structure is situated.
- xxvii. "Purpose" means the purpose(s) for which the Facilities have been availed by / granted to the Borrower from / by the Bank i.e. for working capital requirements.
- XXviii.** "RBI" means Reserve Bank of India.
- XXix.** "Term Premium" means the percentage rate per annum for appropriate maturity and/or reset period decided by the Bank from time to time and announced / notified by the Bank from time to time as its term premium rate.
- XXX.** "Transaction Documents" include the Application, the Terms, all other conditions , instruments, undertakings, indentures, deeds, writings and other documents (whether financing, security or otherwise) agreed to/executed or entered into, or to be executed or entered into, by the Borrower or as the case may be, any other person, in relation, or pertaining, to the transactions contemplated by the Application, the Terms or any other Transaction Document, and each such Transaction Document as amended from time to time.
- xxxi. "Validity Period" shall have the meaning ascribed to it in Section 2.12 hereof.

All capitalised terms used but not defined herein shall have the respective meanings ascribed to them.

1.2 In these Terms and Conditions, unless the contrary intention appears:

- (a) a reference to:
- an Application/ document / Transaction Documents/writing includes all amendments made thereto from time to time as also all annexures and appendices thereto;
  - an "amendment" includes a supplement, modification, innovation, replacement or re-enactment and "amended" is to be construed accordingly;
  - "assets" include all properties whatsoever both present and future, (whether tangible, intangible or otherwise) (including the Property, Intellectual Property and Intellectual Property Rights), investments, cash-flows, revenues, rights, benefits, interests and title of every description;
  - "authorisation" includes an authorisation, consent, clearance, approval, permission, resolution, licence, exemption, filing and registration;
  - "control" includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
  - "encumbrance" includes a mortgage, charge, lien, pledge, hypothecation, security interest or any lien of any description whatsoever;
  - "person" includes an individual, statutory corporation, body corporate, partnership, joint venture, association of persons, HUF, societies (including co-operative societies), trust, unincorporated organisation, government (central, state or otherwise), sovereign state, or any agency, department, authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality) and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;

"law" includes any constitution, statute, law, rule, regulation, ordinance, judgement, order, decree, authorisation, or any published directive, guideline, requirement or governmental restriction having the force of law, or any determination by, or interpretation of any of the foregoing by, any judicial authority, whether in effect as of the date or thereafter and each as amended from time to time;

- (b) "repayment" includes repaid, repayable, repay;
- (c) the singular includes the plural (and vice versa);
- (d) the index to and the headings in the Terms are inserted for convenience of reference only and are to be ignored in construing and interpreting the Terms;
- (e) reference to the words "include" or "including" shall be construed without limitation;
- (f) reference to a gender shall include references to the female, male and neuter genders;
- (g) all approvals, permissions, consents or acceptance required from the Bank for any matter shall require the "prior", "written" approval, permission, consent or acceptance of the Bank;
- (h) the words 'hereof', 'herein', and 'hereto' and words of similar import when used with reference to a specific Section or Sub-clause in the application form or annexures, the Terms shall refer to such Section or Sub-clause in, such application form or annexures, and when used otherwise than in connection with specific Sections, Sub-clauses, shall refer to the Terms as a whole;
- (i) a reference to a "month" is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;
- (j) the word "drawals", "draw" and "drawn" includes disbursements / drawings from time to time under the relevant Facilities and/or issuance of BGs and/or LCs by the Bank;
- (k) in the event of any disagreement or dispute between the Bank and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank as to the materiality or reasonableness of any of the foregoing shall be final and binding on the Borrower;

## 2. AMOUNT AND TERMS OF FACILITY

2.1 (i) The Borrower shall not avail Facilities from the Bank beyond the Overall Limit. The various working capital facilities upto sums in the aggregate not exceeding amounts specified by the Bank in the Schedule I hereto are hereinafter referred to as the "Facilities", which expression shall as the context may permit or require, mean any or each of such Facilities or so much thereof as may be outstanding from time to time. The amounts upto which the Borrower can draw under each of such Facilities shall not, at any one time, exceed sums specified against each of such respective Facilities in the Transaction Documents (the "Limits"). Provided, however, the aggregate amounts of all the Limits shall not at any point of time exceed the amount of the Overall Limits. All outstanding amounts of interest, commission, discount, exchange, service charges and other costs, charges and monies in respect of the respective Facilities, whether debited to the Account or not, shall also be included in determining the availability of the Overall Limits / respective Limits.

(ii) The Bank may at its sole discretion, on such terms and conditions as the Bank may deem fit, vary the Overall Limits / respective Limits.

(iii) The Bank may, grant / extend to the Borrower all or some or any of the Facilities, in part or whole, at any one or more branches of the Bank, subject to the Borrower complying with the provisions of the Transaction Documents and such conditions as may be stipulated by the Bank from time to time.

2.2 The Borrower shall, if so required, open cash credit account(s) or other account(s) (the "Account", which expression shall mean any or each of such account(s), as the context may permit or require) at the branch of the Bank as is specified in the Transaction Documents or such other branch as may be intimated to the Borrower by the Bank from time to time, for availing the Facilities upto the respective Limits.

2.3 The Borrower shall, if so required by the Bank, maintain such margin(s) (the "Margin") in respect of the Facilities as are specified by the Bank, during the subsistence of the Facilities. The Bank shall be entitled to, at its sole discretion, vary the Margin(s) and the Borrower shall thereafter be bound to maintain such Margin notwithstanding any Margin earlier agreed upon.

2.4 (i) Subject to the Application, the Terms and other Transaction Documents, the Facilities may be drawn out of the Account from time to time / disbursed in instalments; the Bank may, at the request of the Borrower, make / allow disbursements / drawings under the Facilities by cheques / pay orders / authorisations and / or by issuance of BGs and/or LCs and/or co-acceptance of Bills by the Bank.

(ii) The aforesaid drawings shall be utilised by the Borrower exclusively for the Purpose for which the Facility is sanctioned.

(iii) In the event any monies are remaining due and payable by the Borrower to the Bank, whether under the Transaction Documents or otherwise, the Bank shall be entitled to, at its sole discretion, reduce the availability of the amounts of the Overall Limits and / or adjust such monies against the available Limits and all such adjustments shall be treated as drawals by the Borrower.

(iv)(a) The Borrower shall at all times confine the drawals out of the relevant Facilities within the respective Drawing Power; (b) the Bank may, however, at the specific request of the Borrower and in its own discretion, allow drawals beyond such Drawing Power for such period as may be permitted by the Bank. Provided, however, the grant of such excess drawings to the Borrower shall be liable to be suspended / discontinued / revoked by the Bank without any notice to the Borrower. The Borrower shall repay such excess drawings on demand unless otherwise specified by the Bank. Till repayment of such excess drawings, the excess drawn amounts shall carry interest at the rate specified in Section 2.5(ii) hereof. All the provisions of the Transaction Documents and all securities created, if any, pursuant to these Terms will extend to cover such excess drawings.

2.5 (i) The Borrower shall pay to the Bank interest, commission, discount, exchange and all other charges on the amounts outstanding from time to time under the Facilities, at the rate(s), on the date(s) and in the manner specified or at such other rate(s) as may be decided by the Bank from time to time, at its sole discretion. The Borrower acknowledges and confirms that notice, if any, provided by the Bank, as specified in Section 10.1 hereof or in any other manner whatsoever, of any changes in rate(s) mentioned above or any notice from the Bank for payment of amounts at the changed rate(s), shall be treated by the Borrower as sufficient and reasonable notice to the Borrower and the Bank is not bound to issue any further notice of such changes to the Borrower.

(ii) All interest on the Facilities and on all other monies accruing due under the Transaction Documents shall, in case the same be not paid on the respective Due Dates, carry default interest at the Default Interest rate as specified in the Final Application Form or any amendment thereto..

(iii) Upon the occurrence of certain events / in certain circumstances mentioned in the Transaction Documents, the Facilities and all monies in respect thereof shall carry default interest at the rate specified by the Bank, plus applicable interest tax or other statutory levy, if any.

(iv) Upon the occurrence of any Irregularity (other than events specified in Section 2.5(ii) hereof, the Facilities and all monies in respect thereof shall, without prejudice to the Bank's other rights and remedies, also carry default interest at the rate specified by the Bank during the period of any Irregularity or for such time as the Bank may decide.

(v) Interest specified in Sections 2.5(ii), 2.5(iii) and 2.5(iv) hereof or in any other provision in the Transaction Documents will be computed from the respective Due Dates and shall become payable upon the footing of compound interest with monthly rests or such other rests as may be prescribed by the Bank from time to time.

(vi) The Borrower acknowledges and agrees that the rates of interest under Sections 2.5 (ii), 2.5 (iii) and 2.5 (iv) hereof and as specified in the Standard Terms are reasonable and that they represent genuine pre-estimates of the loss expected to be incurred by the Bank in the event of non payment of any monies by the Borrower.

(vii) The Borrower shall bear all interest tax, service tax, all other imposts, duties (including stamp duty and relevant registration and filing charges in connection with the Terms and the Transaction Documents) and taxes (of any description whatsoever) as may be levied from time to time by the Government or other authority in respect of or in connection with the Facilities, the Terms and the Transaction Documents. The Borrower shall also pay all costs, charges, fees, expenses in any way incurred by the Bank, and such stamp duty, other duties, taxes, charges and penalties if and when the Borrower is required to pay according to the laws for the time being in force. In the event of the Borrower failing to pay the monies referred to above, the Bank shall be at liberty (but shall not be obliged) to pay the same. The Borrower shall reimburse all sums paid by the Bank in accordance with the provisions contained herein.

(viii) (a) All payments by the Borrower under the Terms and/or the other Transaction Documents shall be made free and clear of and without any deduction, except to the extent that the Borrower is required by law to make payment subject to any tax deduction at source under the applicable law. Provided that, all taxes required by law to be deducted by the Borrower from any amounts paid or payable under the Transaction Documents including but not limited to interest, commission, discount, service and other charges, any fees, shall be paid by the Borrower; and the Borrower shall, within the statutory time frame prescribed under the law or 20 days of the payment being made, whichever is earlier, deliver to the Bank satisfactory evidence in accordance with the prevailing tax laws as may be amended from time to time, that the tax has been deducted at source and duly remitted to the appropriate authority.

(viii)(b) In cases where the Borrower is a Non Resident Indian the above provision stated in clause viii(a) pertaining to payment of taxes shall be inapplicable and shall be substituted by the following clause :

All payments by the Borrower under the Standard Terms shall be made free and clear of and without any deduction / withholding, except to the extent that the Borrower is required by law to make payment subject to any deduction / withholding of taxes. If any tax or amounts in respect of tax must be deducted / withheld, or any other deductions / withholdings must be made, from any amounts payable or paid by the Borrower, the Borrower shall pay such additional amounts as may be necessary to ensure that the Bank receives a net amount equal to the full amount which it would have received had payment not been made subject to tax or other deduction / withholding. Provided that, all taxes required by law to be deducted / withheld by the Borrower from any amounts paid or payable including but not limited to interest, commission, discount, service and other charges and any fees, under the Standard Terms shall be paid by the Borrower when due and the Borrower shall, within the statutory time frame prescribed under the

law or 20 days of the payment being made, whichever is earlier, deliver to the Bank satisfactory evidence in accordance with the prevailing tax laws as may be amended from time to time, that the tax has been deducted at source / withheld and duly remitted to the appropriate authority.

(ix) The Borrower shall also pay to the Bank such other charges / fees / other monies as have been specified in the Transaction Documents.

(x) If the processing fees/ other charges as specified in the Final Application form are paid by the Borrower by giving an instruction for deduction of the same from the Facility, then ICICI Bank shall disburse an amount /set up a limit equivalent to an amount that is reduced by the amount of such fees /charges deducted by ICICI Bank. However, the Borrower shall be liable for the entire Facility amount as sanctioned by ICICI Bank .

(x) Interest on the outstanding amounts under the Facilities / commission / discount / exchange / other charges when debited to the relevant Account by the Bank, shall be calculated on the daily debit balance of such Account.

(xi)(a) Where interest is charged by the Bank at a concessional rate(s) on any of the Facilities granted by the Bank to the Borrower under any "interest subsidy scheme" or any other similar scheme(s) formulated by the Government and/or RBI and/or any other authority from time to time, the Borrower agrees, declares and confirms that in the event of the withdrawal, modification and/or variation of such scheme(s), the concessional rate(s) of interest shall stand withdrawn and the rate(s) of interest of the Bank applicable at such point of time to such Facilities shall become effective from the date (hereinafter referred to as the "said date") of such withdrawal, modification and / or variation of such scheme(s) and the Bank shall become entitled to charge and the Borrower shall be liable to pay interest at such usual rate(s) from the said date; (b) In case the relevant Facilities are eligible for cover under any "guarantee scheme", the Borrower shall bear the guarantee fee paid /to be paid in connection with such Facilities; such guarantee fee may be debited to the relevant Account and shall be treated as part of the Facilities and shall carry interest at the rate specified in Section 2.5 (ii) hereof.

(xii) Interest, commission, discount, exchange and all other charges shall accrue from day to day and shall be computed on the basis of 365 days a year and the actual number of days elapsed.

(xiii) The interest payable by the Borrower shall be subject to the changes based on guidelines / directive issued by RBI to banks from time to time. The Borrower also notes that the Bank is obliged to give effect to any revision of interest rates, whether upwards or downwards, on all existing advances / financial assistances as per the RBI guidelines / directive.

2.6 Unless otherwise specified in the Transaction Documents, the Borrower shall repay the Facilities on demand to the Bank.

2.7 If the Due Date in respect of any amounts payable under the Facilities falls on a day which is not a Business Day at the place where the payment is to be made, the immediately preceding Business Day shall be the Due Date for such payment.

2.8 The Borrower may, notwithstanding his liability to pay pay all the dues including charges incurred on the respective due dates, exercise the option to pay the Minimum Due on or before the Due Date, subject to the approval of the Bank at its discretion. However, acceptance of payment of Minimum Amount Due from the Borrower shall not in any way prejudice any of the rights of the Bank.

2.9 The Borrower shall reimburse all sums paid and/or expenses incurred by the Bank (including by or on behalf of their representatives / consultants / appraiser) in relation to the Facilities within 20 Business Days from the date of notice of demand from the Bank. All such sums shall carry interest from the date of payment till such reimbursement at the rate specified in Section 2.5 (ii) hereof and, together with the aforesaid interest, may be debited to the Account.

2.10 The Borrower agrees, declares and confirms that, notwithstanding any of the provisions of the Indian Contract Act, 1872 or any other applicable law, or any terms and conditions to the contrary contained herein, the Bank shall be entitled, at its absolute discretion, to appropriate any payments made by the Borrower in respect of the Facilities,/any amounts realised by the Bank by enforcement of security or otherwise, towards the dues payable by the Borrower to the Bank under any other transaction entered into between the Borrower and the Bank and in any manner whatsoever, and such appropriation by the Bank shall be final and binding on the Borrower in all respects.

2.11 Unless otherwise stipulated by the Bank, all monies payable by the Borrower to the Bank shall be paid into the relevant Account through which the Borrower was allowed the operation of the Facilities or to such other account(s) as the Bank may notify to the Borrower or by cash, telegraphic, telex or mail transfer or by cheque/bank draft drawn in favour of the Bank on a scheduled bank and shall be so paid as to enable the Bank to realise, at par, the amount on or before the relative Due Date. Credit for all payments by cheque/bank draft will be given only on realisation or on the relative Due Date, whichever is later.

2.12 The Borrower shall not, without the approval of the Bank (which approval may be given subject to such terms and conditions as may be stipulated by the Bank including payment of prepayment premium) and unless otherwise permitted under these Terms, prepay the outstanding principal amounts of the Facilities in full or in part which are in



the nature of loans, before the Due Dates or discounted interest and/or any other charges, plus applicable interest tax and other statutory levy.

2.12 Unless the Bank otherwise agrees, the right of the Borrower to make drawals from the Facilities shall cease on the expiry of the period (the "Validity Period") specified by the Bank.

2.13 The Borrower shall be entitled to avail of / seek drawals under the Facilities only subject to the Borrower complying with the terms and conditions contained herein and the other Transaction Documents and there is no subsisting Event of Default.

(a) The Borrower shall create / cause such security to be created as may be considered appropriate by the Bank in favour of the Bank / their agents or trustees, in a form and manner as the Bank may in its sole discretion require, as security for payment / repayment of the Facilities together with all interest, commission, costs, charges, expenses and all other monies, whatsoever stipulated in or payable under any of the Transaction Documents. The Borrower shall comply with formalities in relation to such creation of security. "The security as required by ICICI Bank shall be created in favour of ICICI Bank Limited or security trustee, in a form and manner acceptable to ICICI Bank / the security trustee. For such security which is to be created in favour of a security trustee, the Borrower shall appoint such entity as security trustee as is acceptable to ICICI Bank and shall comply with all terms and conditions as may be specified by such security trustee. The Borrower shall make payment of all such costs, charges, expenses, remuneration / fees to the aforesaid security trustee as may be specified by the security trustee."

(b) The Borrower shall at all times maintain sufficient quantity of the securities to provide the asset cover stated above or as may be specified by the Bank from time to time.

2.14 The Borrower shall, if required by the Bank, procure and deliver to the Bank before any drawals are made under the Facilities irrevocable and unconditional joint and several guarantee(s) from the guarantors (the "Guarantor(s)") in favour of the Bank for the due repayment of the Facilities and the payment of all interest and other monies payable by the Borrower, in a form prescribed by the Bank. The Borrower shall not pay any guarantee commission to the Guarantor(s).

2.15 The Borrower unconditionally agrees, undertakes to get itself rated by Credit Rating Agency/ies within a period of six months and/or at such intervals as may be decided by the Bank, failing which the Bank shall have the right to review the applicable interest rate and/or costs, charges and expenses, which shall be payable by the Borrower/Obligor/Security Provider and on such date/s or within such period as may be specified by the Bank."

### 3. REPRESENTATIONS AND WARRANTIES

3.1 The Borrower shall be deemed to have represented, warranted, agreed, confirmed and undertaken that:

(i) The information given in the Application forms(s) is true and accurate in all material respects, is not misleading and does not omit any material fact, the omission of which would make any fact or statement therein misleading and the representations and warranties in the Credit Application shall be deemed to form part of the representations and warranties herein contained.

(ii)(a) The Borrower has the competence and power to execute the Standard Terms and the other Transaction Documents and to carry on its business and operations as it is being or is proposed to be conducted; (b) All acts, conditions and things required to be done, fulfilled or performed, and all authorisations required or essential for the entry and delivery of the Transaction Documents or for the performance of the Borrower's obligations in terms of and under the Transaction Documents and for the carrying on of its business and operations have been done, fulfilled, obtained, effected and performed and are in full force and effect and no such authorisation has been, or is threatened to be, revoked or cancelled; (c) The Borrower has not received any notice, nor is it aware that any authorisation necessary or required to be obtained in present or in future, will not be granted or obtained; (d) The Borrower is in compliance in all respects with all laws (including environmental laws) and regulations affecting its assets, its business and operations. There are no circumstances that may at any time prevent or interfere with such compliance; (e) The Borrower has the power to avail of the Facilities from the Bank and the total borrowings (including the Facilities) are within the prescribed limits, if any.

(iii) The Transaction Documents have been duly and validly executed by the Borrower or on behalf of the Borrower and each Transaction Document constitutes or when executed in accordance with its terms will constitute, legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms.

(iv) The entry into, delivery and performance by the Borrower of, and the transactions contemplated by the Transaction Documents do not and will not conflict: (a) with any law; (b) with the constitutional documents, if any, of the Borrower; or (c) with any document which is binding upon the Borrower or on any of its assets.

(v)(a) No default is subsisting or might result from the execution of, or the availing of the Facilities under the Transaction Documents by the Borrower; (b) No other event or circumstance is subsisting which constitutes (or with the giving of notice, lapse of time, determination of materiality or the fulfilment of any other applicable condition or

any combination of the foregoing, might constitute) a default under any document which is binding on the Borrower or any of its assets; (c) The Borrower is not in breach of the terms of any Transaction Document and no Event of Default is subsisting.

(vi)(a) All amounts payable by the Borrower under the Transaction Documents are made free and clear of and without deduction / withholding for or on account of any tax or levy; (b) The Borrower has complied in all material respects with all taxation laws in all jurisdictions in which it is subject to taxation and has filed all tax returns and paid all taxes and statutory dues due and payable by it and, to the extent any taxes are not due, has established reserves that are adequate for the payment of those taxes and statutory dues.

(vii) The Borrower has good title to, or valid leases or licences of, or is otherwise entitled to use its assets.

(viii)(a) To the extent applicable, the execution or entering into by the Borrower of the Transaction Documents constitute, and its exercise of its rights and performance of its obligations under the Transaction Documents will constitute, private and commercial acts done and performed for private and commercial purposes; (b) The Borrower is not, will not be entitled to, and will not claim immunity for itself or any of its assets from suit, execution, attachment or other legal process in any proceedings in relation to the Transaction Documents.

(ix) The Borrower's confirmation on governing law as provided in Section 8.5 hereof, is legal, valid and binding on the Borrower.

(x) Where the accounts are required to be audited under applicable law, the most recent audited accounts of the Borrower: (a) have been prepared in accordance with applicable accounting principles and practices generally accepted and consistently applied; (b) have been duly audited by the statutory auditors, if any, of the Borrower; and (c) represent a true and fair view of its financial condition as at the date to which they were drawn up, AND there has been no Material Adverse Effect since the date on which those accounts were drawn up.

(xi) Except to the extent disclosed to the Bank, no litigation, arbitration, administrative or other proceedings are pending or threatened against the Borrower or its assets, which, if adversely determined, might have a Material Adverse Effect.

(xii) (a) All information communicated to or supplied by or on behalf of the Borrower to the Bank from time to time in a form and manner acceptable to the Bank, are true and fair / true, correct and complete in all respects as on the date on which it was communicated or supplied; (b) Nothing has occurred since the date of communication or supply of any information to the Bank which renders such information untrue or misleading in any respect.

#### 4.CONDITIONS APPLICABLE DURING CURRENCY OF FACILITY

##### 4.1 The Borrower shall promptly:

(i) Notify the Bank upon becoming aware of the occurrence of any event or the existence of any circumstances which constitutes or results in any declarations, representation, warranty, covenant or condition under any of the Transaction Documents being or becoming untrue or incorrect in any respect.

(ii) Deliver to the Bank: (a) copies of all documents issued by the Borrower to all its creditors (or any general class of them) at the same time as they are issued; (b) such statements / information / accounts / records / reports / documents, financial or otherwise, as are specified in the Transaction Documents, or as may be required by the Bank from time to time in relation to the Facilities, the Borrower's business and operations, assets etc. within the period specified in the Transaction Documents or by the Bank.

(iii) Notify the Bank of any material loss or damage, which the Borrower and/or the assets and/or the Security Provider may suffer due to any event, circumstance or act of God.

(iv) Notify the Bank of any action or steps taken or legal proceedings started by or against it and/or the Security Provider in any court of law for its winding-up, dissolution, insolvency, bankruptcy, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Borrower and/or the Security Provider and/or of any of the assets.

(v) Notify the Bank of any litigation, arbitration, administrative or other proceedings initiated or threatened against the Borrower and/or any of the assets.

(vi) Notify the Bank of any circumstances and conditions which are prejudicial to or affects or is likely to affect any of the businesses, operations or financial condition of the Borrower and/or the Security Provider and/or its project(s) and/or of any person who is party to any Transaction Document.

##### 4.2 The Borrower hereby further covenants and agrees that :

(i) The Borrower shall: (a) maintain its existence, corporate or otherwise, and right to carry on its business and operations and ensure that it has the right and is duly qualified to conduct its business and operations as it is conducted in all applicable jurisdictions and will obtain and maintain all franchises and rights necessary and all authorisations, statutory or otherwise required for the conduct of its business and operations in such jurisdictions (including environmental / pollution control clearances); (b) conduct its business and operations with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and business practices; (c) comply with all laws applicable to or binding on it or its business and operations including laws relating to protection of the environment. The Borrower shall file all relevant tax returns and pay all its taxes/duties promptly when due.



- (ii) The Borrower shall promptly obtain, maintain and comply with the terms of all authorisations necessary for entering into or performing its obligations under the Transaction Documents or for conducting its business and operations.
- (iii) The Borrower shall comply with such other conditions as may be stipulated by the Bank from time to time on account of requirement of any applicable law.
- (iv) The Borrower shall make arrangements for meeting its working capital requirements to the satisfaction of the Bank.
- (v) The Borrower shall carry out such modifications to its constitutional documents / other relevant documents as may be deemed necessary in the opinion of the Bank to safeguard the interests of the Bank under the Transaction Documents.
- (vi) In the event that the existing auditors cease to act as the auditors of the Borrower for any reason, the Borrower shall promptly inform the Bank of the reasons for such cessation and shall appoint another firm of independent chartered accountants, acceptable to the Bank, in accordance with applicable laws.
- (vii) The Borrower shall ensure that, save as otherwise provided in the Transaction Documents, its obligations under the Transaction Documents do and will rank above and prior to all its other present and future obligations.
- (viii) The Property will be maintained in good order and condition and all necessary repairs, additions and improvements thereto will be made during the tenure of the Facilities.
- (ix) The Borrower shall comply/ensure compliance with all applicable laws in relation to the Property and pay/ensure payment of such maintenance and other charges for the upkeep of the Property as also any other dues, etc., as may be payable in respect of the Property and/or of the use thereof.
- (x) The Borrower shall ensure that the Property is insured against such risks and for such values as may be required by the Bank.
- (xi) The Bank and / or its representatives / agents / nominees will be allowed to have free access to the Property for the purpose of inspection or otherwise.
- (xii) The Borrower/Security Provider shall do such acts, deeds, matters and things and execute such documents and writings, as the Bank may consider necessary to carry out the intent of these Terms.
- (xiii) The Borrower/Security Provider shall make out / cause to be made out a good and marketable title to the Property to the satisfaction of the Bank and comply / cause to be complied with all such formalities as may be necessary or required for the said purpose.
- (xiv) If at any time during the subsistence of the Facilities, the Bank is of the opinion that the security provided by the Borrower has become inadequate to cover the Facilities then outstanding then, on the Bank advising the Borrower to that effect, the Borrower shall provide and furnish to the Bank, to the satisfaction of the Bank such additional security as may be acceptable to the Bank to cover such deficiency.

4.3 The Borrower hereby covenants and agrees that without the prior written approval of the Bank, the Borrower and/or the Security Provider, as the case may be, shall not:

- (i) Contract, create, incur, assume or suffer to exist any Indebtedness in any manner whatsoever except as otherwise permitted under these Terms. This provision shall not apply to normal trade transactions.
- (ii) Undertake or permit any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction including creation of any subsidiary or permit any company to become its subsidiary.
- (iii) Create or permit to subsist any encumbrance (including for securing borrowings for working capital requirements in the ordinary course of business, upto the limit approved by the Bank) or any type of preferential arrangement (including retention arrangements or escrow arrangements having the effect of granting security), in any form whatsoever on any of its assets, or (whether voluntarily or involuntarily) sell, transfer, grant lease or otherwise dispose of or deal with (or agree to do any of the foregoing at any future time), any of the assets.
- (iv) Declare or pay any dividend or authorise or make any distribution to its shareholders / members / partners or permit withdrawal of amounts brought in : (a) unless it has paid all the dues in respect of the Facilities upto the date on which the dividend is proposed to be declared or paid / such distribution is to be made, or has made provisions therefore satisfactory to the Bank, or (b) if an Event of Default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorisation or making of distribution.
- (v) Prepay any Indebtedness incurred by the Borrower.
- (vi) Pay any commission to its promoters, directors, managers or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any Indebtedness incurred by the Borrower or in connection with any other obligation undertaken for or by the Borrower.
- (vii) Undertake any new project, diversification, modernization, which are material in nature, or substantial expansion of any its projects.
- (viii) Make any investments whether by way of deposits, loans, or investments in share capital or otherwise, in any concern or provide any credit or give any guarantee, indemnity or similar assurance except as otherwise permitted under these Terms. This provision shall not apply to loans and advances granted to staff or contractors or suppliers in the ordinary course of business.

(ix) (In the event the Borrower is a body corporate excluding co-operative society) recognize or register any transfer of shares in the Borrower's capital made or to be made by the promoters and their associates except as may be permitted by the Bank.

(x) Amend or modify its constitutional documents, if any.

(xi)(a) (In the event the Borrower is a body corporate excluding co-operative society), buy back, cancel, retire, reduce, redeem, re-purchase, purchase or otherwise acquire any of its share capital now or hereafter outstanding, or set aside any funds for the foregoing purposes, or (b) issue any further share capital whether on a preferential basis or otherwise or change its capital structure in any manner whatsoever.

(xii) Change its financial year-end from the date it has currently adopted.

(xiii) Change the accounting method or policies currently followed by the Borrower unless expressly required by applicable law.

(xiv) Avail of any credit facilities or accommodation from any bank(s) or financial institution(s) or any person, firm or company in any manner (other than the bank(s) at present providing working capital facilities to the Borrower and as disclosed to the Bank) nor shall it deal with or through any other bank(s) or financial institution(s).

(xv) Engage in any business or activities other than those which the Borrower is currently engaged in, either alone or in partnership or joint venture with any other person, nor acquire any ownership interest in any other entity or person or enter into any profit-sharing or royalty agreement or other similar arrangement whereby the Borrower's income or profits are, or might be, shared with any other entity or person, or enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(xvi) Merge the Property or any other assets with any other property nor shall the Borrower/Security Provider create any right of way or any other easement on the Property.

(xvii) Execute letter of authority or power of attorney, or any other similar or other deed, in favour of any person to deal with the Property in any manner.

(xviii) Change use of the Property other than what is disclosed to the Bank; the Borrower acknowledges that if the Property is used for any other purpose, then the Borrower shall pay to the Bank such higher rate of interest as may be stipulated by the Bank.

4.4 (i) (In the event the Borrower is a body corporate excluding co-operative society), the Bank shall have the right to appoint and remove from time to time, Director(s) on the Board of Directors of the Borrower (such directors are hereinafter referred to as "the Nominee Director(s)").

(ii) The Nominee Director(s) shall : (a) not be required to hold qualification shares nor be liable to retire by rotation; (b) be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but if any other fees, commission, monies or remuneration in any form is payable to the Directors, the fees, commission, monies and remuneration in relation to such Nominee Director(s) shall be paid by the Borrower directly to the Bank; Provided that if any such Nominee Director(s) is an employee of the Bank, the sitting fees and expenses in relation to such Nominee Director(s) shall be paid by the Borrower directly to the Bank; Any expenditure incurred by the Bank or the Nominee Director(s) in connection with his appointment of directorship shall be borne and payable by the Borrower; (c) be appointed a member of committees of the Board, if so desired by the Bank; (d) be entitled to receive all notices, agenda and other related communications and to attend all General Meetings and Board Meetings and Meetings of any committees of the Board of which he is a member.

(iii) If, at any time, the Nominee Director(s) is not able to attend a meeting of the Board of Directors or any of its committees of which he is a member, the Bank may depute an observer to attend the meeting. The expenses incurred by the Bank in this connection shall be borne and payable by the Borrower.

(iv) The Nominee Director(s)/the observer shall be entitled to furnish to the Bank a report about the proceedings of all such meetings.

(v) The appointment/removal of the Nominee Director(s) shall be by a notice in writing by the Bank addressed to the Borrower and shall (unless otherwise indicated by the Bank) take effect forthwith upon such a notice being delivered to the Borrower.

4.5 The Borrower acknowledges, agrees and confirms that :

(i)The Bank shall be entitled :

(a) To have, along with its group companies, the paramount right of set-off and lien, irrespective of any other lien or charge, present as well as future on the deposits of any kind and nature (including fixed deposits) held/ balances lying in any accounts of the Borrower/s, whether in single name or joint name(s) and on any monies, securities, bonds and all other assets, documents and properties held by/ under the control of the Bank and/or its group companies (whether by way of security or otherwise pursuant to any contract entered/ to be entered into by the Borrower/s in any capacity) to the extent of all outstanding dues, whatsoever, arising as a result of any of the Bank's or its group companies' services extended to and/or used by the Borrower/s and/or as a result of any other facilities that may be granted by the Bank and/or its group companies to the Borrower/s. The Bank and/ or its group companies are entitled without any notice to the Borrower/s to settle any indebtedness whatsoever owed by the Borrower/s to the Bank and/or its group companies, (whether actual or contingent, or whether primary or collateral, or whether joint and/or several) hereunder or under any other document /transactions, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower/s with the Bank

and/or its group companies notwithstanding that the deposit(s)/ balances lying in such account(s) may not be expressed in the same currency as such indebtedness. The Bank's and its group companies' rights hereunder shall not be affected by the Borrower/s' bankruptcy, death or winding-up. It shall be the Borrower/s' sole responsibility and liability to settle all disputes/ objections with any such joint account holders.

In addition to the above mentioned right or any other right which the Bank and its group companies may at any time be entitled whether by operation of law, contract or otherwise, the Borrower authorises the Bank: (a) to combine or consolidate at any time all or any of the accounts and liabilities of the Borrower with or to any branch of the Bank and/or its group companies; (b) to sell any of the Borrower/s' securities or properties held by the Bank by way of public or private sale without having to institute any judicial proceeding whatsoever and retain/appropriate from the proceeds derived there from the total amounts outstanding to the Bank and/or its group companies from the Borrower/s, including costs and expenses in connection with such sale; and (c) in case of cross currency set-off, to convert an obligation in one currency to another currency at a rate determined at the sole discretion of the Bank and/or its group companies.

(b) To extend rights, obligations and securities of the Borrower under any account to any other account of the Borrower with the Bank notwithstanding that such account may not relate to any particular facility granted / to be granted to the Borrower.

(ii) These Terms are in addition to and not in derogation of the Terms and Conditions of other Facilities), if any, already entered into by the Borrower with the Bank in respect of working capital limits already enjoyed by the Borrower with the Bank prior to the sanction of the Facilities by the Bank. Notwithstanding anything to the contrary contained in these Terms or in the aforesaid (s), all the obligations and liabilities of the Borrower in respect of the earlier limits authorised and subsisting shall, unless otherwise agreed to by the Bank, be valid, effectual and binding on the Borrower as if those obligations and liabilities are herein set out in extenso and the security, if any, created by the Borrower for the earlier limits authorised shall stand modified automatically as if the security, if any, for the Facilities are expressly made applicable thereto.

(iii) Security, if any, created by the Borrower or any other person under these Terms shall continue to remain unaffected by reason of the Account being brought to credit at any time or of its being drawn upon to the full extent and afterwards being brought to credit, and shall continue until the termination and payment of all monies due under the Facilities.

(iv) These Terms shall be operative for the balance from time to time due by the Borrower to the Bank in the Account relating to the relevant Facilities and such Account shall not be considered as closed by reason of such Account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit and these Terms will continue to be operative and unaffected until such relevant Facilities are terminated and all monies in respect thereof are repaid in full to the Bank.

#### SPECIAL CONDITIONS

(a) The Borrower shall not recognise or register any transfer of shares in the Borrower's capital made or to be made by any person as may be specified by the Bank. The Borrower shall procure and furnish undertakings from such persons, in a form and manner required by the Bank, whereby such person shall agree, inter alia, not to dispose off their shareholdings in the Borrower to any person in any manner whatsoever. The Borrower shall join in such undertaking as a confirming party. The Borrower shall procure that such person providing the undertaking referred to above deposits with the Bank, all original certificates pertaining to their shareholding in the Borrower.

(b) The Borrower shall undertake and/or procure undertaking(s) from such persons as may be specified by the Bank in the form required by Bank, whereby it / he/ she / they shall take the responsibility for making arrangements satisfactory to the Bank for meeting the shortfall, if any, in the resources of the Borrower for working capital requirement and/or any of its project. The Borrower shall join in such undertakings procured from such other persons as a confirming party. The funds brought in to meet the shortfall in the resources of the Borrower for working capital and/or for any of its project, shall be in such form and manner and on such terms as may be required by the Bank.

(c) The Borrower shall ensure that its banking business, including deferred payment facilities, foreign exchange, deposits and bill business will be shared in such manner as may be decided by the Bank.

(d) The Borrower shall keep the existing lenders, financial institutions/bank informed about the arrangement with the Bank.

(e) The Borrower shall use the Facility only for working capital requirement and not for any speculative line of activity.

<sup>1</sup>(f) On expiry of the validity period of the Facility, the Bank may at its discretion renew the validity period for such further period on such terms and conditions as it may deem fit.

(g) The Borrower shall produce a specific certification from the auditor(s) of the Borrower with regard to the end use of funds immediately on the request from ICICI Bank.

## GUARANTEE

The Borrower shall procure and deliver to the Bank before any drawals are made under the Facilities irrevocable and unconditional joint and several guarantee(s) from \_\_\_\_\_ / \_\_\_\_\_<sup>2</sup> (the "Guarantor(s)") in favour of the Bank for the due repayment of the Facilities and the payment of all interest and other monies payable by the Borrower, in a form prescribed by the Bank. The Borrower shall not pay any guarantee commission to the Guarantor(s).

## PROVISIONS RELATING TO ASSETS

(i) The Borrower/Security Provider shall make out a good and marketable title to Property to the satisfaction of the Bank and comply with all such formalities as may be necessary or required for the said purpose.

(ii) If at any time during the subsistence of the Facilities, the Bank is of the opinion that the security provided by the Borrower has become inadequate to cover the Facilities then outstanding including the relevant Margin, then, on the Bank advising the Borrower to that effect, the Borrower shall provide and furnish to the Bank, to the satisfaction of the Bank such additional security and Margin as may be acceptable to the Bank to cover such deficiency. In the event the Borrower is unable to provide such Margin for any reason whatsoever, the Borrower shall pay to the Bank the equivalent amount in cash, keep all the securities intact and inform the Bank of any event prejudicially affecting the rights of the Bank relating to the security. The Bank shall have the right to appropriate cash, if any, provided by the Borrower as above towards any defaulted amounts in respect of the Facilities.

(iii) The Bank shall be entitled to, at its sole discretion, decide whether or not they will accept as security for the purpose of any/some/all of the Facilities any goods, book-debts, movables and other assets offered from time to time to the Bank by the Borrower. The Bank shall be also entitled to, at its sole discretion and at any time during the subsistence of the Facilities without previous notice and without assigning any reason whatsoever, to cease to accept the security from the Borrower and/or to cease making advances / permit drawals there against.

(iv) The Bank shall be entitled to have all the goods, book-debts, moveables and other assets hypothecated and/or pledged valued at rates whether fixed by the Bank or not. The Borrower agrees and confirms that : (a) the indigenous raw materials/ packing materials/ consumable stores/ spares may be valued at current market rates or invoice rates or Government controlled rates whichever are the lowest, (b) imported raw materials may be valued at landed cost (including invoice value plus customs duty and other applicable duties) but excluding sales-tax and demurrage) or market price whichever is lower, (c) semi-finished goods may be valued at cost of production, and (d) finished goods may be valued at cost or market price or Government controlled rates or selling price whichever are the lowest. The Bank shall be at liberty to have any goods, book-debts, moveables and other assets which are secured for the relevant Facilities, valued by an appraiser appointed by the Bank and the Borrower agrees and confirms to give all the required assistance/ co-operation to such appraiser for such valuation and the said valuation shall be binding on the Borrower. The Borrower shall not overvalue the aforesaid assets and/or raise any objection to the valuation of the aforesaid assets as stated above.

(v) The Borrower declares and assures the Bank that the Borrower shall maintain regular turnover in the goods, movables and other assets hypothecated and/or pledged to the Bank and that the goods, movables and other assets shall not be allowed to remain in the possession of the Bank for unduly long periods.

## THE PROPERTY(IES)

1. The Borrower/s shall be solely and exclusively responsible for the quality, condition, fitness and performance of the Property(ies).

2. Where any security in relation to any Property(ies) is required to be registered under any law for the time being in force, the Borrower/s shall, within 10 days from the date of creation of such security have such security registered with the appropriate Registering Authority, and submit original security documents to the Bank.

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<sup>1</sup> Delete if not applicable

<sup>2</sup> Please fill in

3. Where the Facility has been availed of for repayment of an existing loan/facility against any Property(ies), then the Borrower/s shall within 7 days from disbursement of the Facility get the previous security interest removed from the records of the appropriate registering authority and have the security, if any, in favour of the Bank / its trustees or agents registered with such registering authority.

4. Where full details of the Property(ies) as required to be specified in the Application Form(s) is/are not available at the time of submitting the Application Form(s), the Borrower/s shall furnish all such details of the Property(ies) to the Bank, in such format and within such period as may be specified by the Bank.

5. The Borrower/s shall not enter into any agreement/ arrangement whatsoever with any person, body or authority for the use, transfer or disposal of the Property(ies) in any manner whatsoever without the consent of the Bank. The Borrower/s will not part with the possession, give on hire, lease, leave and license or conduct any arrangement or otherwise deal with the Property(ies) or any part thereof without prior consent of the Bank.

6. The Borrower/s shall keep the Property(ies) free from any and all liens, charges and encumbrances whatsoever (save and except for the security, if any, created/to be created in favour of the Bank / its trustees or agents if so required by the Bank).

7. Any such direct or indirect agreement/ arrangement, lien, charge, encumbrance, hire, lease, transfer or parting with possession of the Property(ies) shall be deemed to be an act of criminal breach of trust and cheating by the Borrower/s and the Bank shall be entitled in such circumstances, without any prejudice to the other rights of the Bank under law and/or the Transaction Documents, to initiate appropriate criminal proceedings against the Borrower/s and/or any other relevant Person.

8. The Borrower/s shall permit the Bank (and any of its representatives), at all times, to inspect, view and examine the state and condition of the Property(ies) and/or the documents relating thereto. The Borrower/s shall also, if required by the Bank, produce the records relating thereto for inspection to the Bank (and/or its representatives) at such place designated by the Bank (and/or its representatives) at the Borrower/s sole cost and expense. Wherever required or necessary in the opinion of the Bank, the Borrower/s shall obtain all required permissions and consents as are required by the Bank (or any of its representatives) for entering into the Property(ies).

9. The Borrower/s shall comply with all laws, rules and regulations (statutory or otherwise) relating to the Property(ies) and its use and shall obtain, and keep effective at all times, all necessary insurance, licenses, registrations, permissions, approvals and consents in connection with the same.

## INSURANCE

1. The Borrower/s shall, for so long as any portion of the Borrower/s Dues is outstanding/payable to the Bank, fully insure, and keep the Property(ies) so insured, at his/her/its/their own costs in the joint names of the Borrower/s and the Bank, with the name of the Bank recorded as 'the Loss Payee' in such insurance policy/ies. Such insurance required to be taken by the Borrower/s for the Property(ies) shall be standard comprehensive package policies covering (a) all comprehensive risks, including but not limited to riots, civil commotion, floods and such additional risks/liability to which the Property(ies) is/are normally exposed, and (b) unlimited third party liability risks. The Borrower/s shall forthwith upon taking/renewing any such insurance policies furnish true copies of such insurance policy/ies to the Bank to confirm having complied with this obligation.

2. In the event of any failure by the Borrower/s to obtain such insurance policies and/or to furnish proof of the same to the Bank, at its discretion the Bank may (but shall not be bound to) insure the Property(ies) at the Borrower/s' cost. If the Bank pays the insurance premium, or any other monies, for/towards the insurance of the Property(ies), the Borrower/s shall reimburse all such sums paid by the Bank. In the event the Borrower/s, at any time subsequent to availing the Facility, opt/s for enhancement of the Facility towards payment of insurance premium, the Bank may, at its sole discretion, make such enhancement. Provided, in such an event the Instalments shall remain constant and the tenure of the Facility shall vary accordingly.

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

under any such insurance or under any claim made thereunder and to give a valid receipt therefor, and apply such proceeds in accordance with the terms hereof or such other manner as deemed fit by the Bank.

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

## SECURITY

1.A. The Borrower/s shall create/cause to be created such security on such assets (including any account/s and/or receivables of the Borrower/s and / or any other person/s acceptable to the Bank), and/or cause such guarantee/s to be furnished, as may be considered appropriate by the Bank, in favour of the Bank / its trustees or agents, in a form and manner satisfactory to the Bank, as security for payment / repayment of the Facility together with all interest, costs, charges, expenses and all other monies whatsoever stipulated in or payable under the Standard Terms and other Transaction Documents. Such security shall be created / guarantee/s furnished within such period as may be required by the Bank and the Borrower/s shall comply with all formalities in relation to such creation of security / furnishing of guarantee/s to the satisfaction of the Bank.

B. The Borrower/s shall, until creation of the aforesaid security and if so required by the Bank, pay further interest at the rate as may be specified by the Bank from time to time. The benefits and rights as set out under the Standard Terms and/or the other Transaction Documents shall be, if so acceptable to the Bank, available to the agents / trustees of the Bank and may be, if so agreed by the Bank, exercised by such agents / trustees.

C. Security, if any, created by the Borrower/s and/or any other person in favour of the Bank / its trustees or agents in connection with the repayment / payment of the Borrower/s' Dues shall continue until the full payment of all monies due under/in respect of the Facility and (a) shall not be discharged by intermediate payment by the Borrower/s or any settlement of account by the Borrower/s; (b) shall be in addition to and not in derogation of any other security which the Bank at any time hold in respect of the Borrower/s' dues; (c) shall be available to the Bank until all accounts between the Bank and the Borrower/s in respect of the Facility are ultimately settled.

D. If the security which the Borrower/s may furnish to the Bank is found to be insufficient / incorrect in value, the Bank may direct the Borrower/s to furnish additional security. If the security which the Borrower/s may furnish or the additional security, if any, is subsequently found to be of inferior value to that as declared by the Borrower/s at the time of availing the Facility and as declared in the Application Form(s), the Bank may, in its discretion, treat such default as an event of default under the Standard Terms and other Transaction Documents.

## 5. RECORDS AND INSPECTION

5.1 The Borrower shall keep and maintain in accordance with good business practice and applicable laws, all statutory books, books of accounts, bank statements / pass books and other records of the Borrower and in particular, maintain records showing the operations and financial conditions of the Borrower and such records shall be open to examination by the Bank and /or their authorised representatives.

5.2 The Borrower/Security Provider shall:

(i) Permit any officer / authorized representative of the Bank and/or, concurrent / statutory auditors / RBI officials to carry out technical, financial and legal inspections of its premises, units, projects and assets at such intervals as may be decided by the Bank and to visit and examine any such assets including the Borrower's facilities, factories, plants, godowns, sheds, galas, warehouses or any other places of storage where the assets of the Borrower may be lying, installations, sites, works, buildings, properties or equipment, records, registers and accounts, costs, estimates, plans and specifications relating to assets, and / or examine records and documents relevant to the performance of the obligations of the Borrower under the Transaction Documents. Any such representatives of the Bank shall have free access at all reasonable times to the Borrower's assets and records and shall receive full cooperation and assistance from the Borrower and its employees and/or agents and/or representatives;

(ii) Permit any officer / authorized representative of the Bank to examine the Borrower's books and papers and shall provide all facilities to enable any technically qualified person chosen by the Bank to report on the business and operations of the Borrower at any time;



(iii) The cost of inspection, including travelling and all other expenses, shall be borne and payable by the Borrower to the Bank in this behalf.”

## 6. EVENTS OF DEFAULT

6.1 (i) Default has occurred in the payment of any monies in respect of the Facilities on the Due Dates (whether at stated maturity, by acceleration or otherwise) for payment thereof or otherwise.

(ii) Default (other than a payment default) has occurred in the performance of any covenant, condition on the part of the Borrower and/or the Security Provider and/or any other person under the Transaction Documents and such default has continued for a period of 30 days after notice in writing thereof has been given to the Borrower or as the case may be, to the Security Provider and/or such other person, by the Bank (except where the Bank is of the opinion that such default is incapable of remedy, in which event, no notice shall be required).

(iii) Breach of any representation, warranty, declaration or confirmation has occurred / been committed.

(iv) The Borrower has, or there is a reasonable apprehension that the Borrower and/or the Security Provider and/or any other concerned person has/have, voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law, or is voluntarily or involuntarily dissolved, becomes bankrupt or insolvent or if the Borrower and/or the Security Provider and/or any other concerned person has/have taken or suffered to be taken any action for its reorganisation, liquidation or dissolution or insolvency or bankruptcy or if a receiver or liquidator has been appointed or allowed to be appointed of all or any part of the assets or if an attachment or distraint has been levied on the assets or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Borrower and/or the concerned person or if one or more judgements or decrees have been rendered or entered against the Borrower and/or the Security Provider and/or any other concerned person and such judgements or decrees are not vacated, discharged or stayed for a period of 30 days, and such judgements or decrees involve in the aggregate, a liability which could have a Material Adverse Effect.

(v) If the Borrower ceases or threatens to cease to carry on any of its businesses or gives notice of its intention to do so or if all or any part of the assets of the Borrower and/or the Security Provider and/or any other concerned person required or essential for their respective business or operations are damaged or destroyed or there occurs any change from the date of acceptance of the Standard Terms and conditions in the general nature or scope of the business, operations, management or ownership of the Borrower and/or the Security Provider and/or any other concerned person, which could have a Material Adverse Effect.

(vi) If the security, if any, for the Facilities is in jeopardy or ceases to have effect or if any Transaction Document including any security document executed or furnished by or on behalf of the Borrower becomes illegal, invalid, unenforceable or otherwise fails or ceases to be in effect or fails or ceases to provide the benefit of the liens, rights, powers, privileges or security interests purported or sought to be created thereby or if any such Transaction Document shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the Bank.

(vii) Any government, governmental authority, agency, official or entity takes or threatens any action : (a) for dissolution of the Borrower and/or the Security Provider and/or any other concerned person, or any action which deprives or threatens to deprive the Borrower and/or the Security Provider and/or any other concerned person : (1) from conducting any of its businesses or carrying out its operations in the manner it is being conducted or carried out, or (2) of the use of any of its assets; (b) to revoke or terminate or to refuse to provide or renew any authorisation or to impose onerous conditions on or on the grant or renewal of any authorisation; (c) with a view to regulate, administer, or limit, or assert any form of administrative control over the rates applied, prices charged or rates of return achievable, by the Borrower and/or the Security Provider and/or any other concerned person in connection with its business;

which, in each case could have a Material Adverse Effect.

(viii) Any person acting singularly or with any other person (either directly or indirectly) acquires control of the Borrower and/or the Security Provider and/or any other concerned person or of any other person who controls the Borrower and/or the Security Provider and/or any other concerned person, without the approval of the Bank.

(ix)(a) It is or becomes unlawful for the Borrower or any person (including the Bank) to perform any of their respective obligations under any Transaction Document; (b) Any Transaction Document or any provision thereof are required by any law to be amended, waived or repudiated; (c) Any obligation under any Transaction Document is not or ceases to be a valid and binding obligation of any person party to it or becomes void, illegal, unenforceable or is repudiated by such person (other than the Bank).

(x)(a) The Borrower and/or the Security Provider and/or any other concerned person is unable or has admitted in writing its inability to pay any of its Indebtedness as they mature or when due; (b) An event of default howsoever described (or any event which with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition or any combination of the foregoing would constitute an event of default) occurs under any Transaction Documents or document relating to any Indebtedness of the Borrower and/or the Security Provider and/or any other concerned person or if any other lenders of the Borrower and/or the Security Provider and/or any other concerned person including financial institutions or banks with whom the Borrower and/or the Security Provider and/or any other concerned person has/ have entered into agreements for financial assistance have recalled its/their assistance or any part thereof; (c) Any person is in breach of, or does not comply with, any term or

condition (whether, financial, performance or otherwise) of any Transaction Document including any security document or undertaking;

(xi) One or more events, conditions or circumstances (including any change in law) shall occur or exist which could have a Material Adverse Effect.

6.2 The Borrower shall promptly notify the Bank in writing upon becoming aware of any default and any event which constitutes (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Event of Default and the steps, if any, being taken to remedy it.

6.3A. On the happening of any of the Events of Default or if the Overall Limits / Limits are not renewed beyond the period specified by the Bank or if the Borrower has not availed of or drawn from the Facilities by the Validity Period, the Bank may, by a notice in writing to the Borrower and without prejudice to the rights and remedies available to the Bank under these Terms or otherwise : (a) terminate the Facilities and call upon the Borrower to pay all the dues in respect of the Facilities, and/or (b) suspend further access / draws by the Borrower to the use of the Facilities under these Terms; the right of the Borrower to avail of or make draws from the Facilities shall continue to be suspended until the Bank has notified the Borrower that the right to avail of or make draws from the Facilities has been restored, and/or (c) declare the security created, if any, in terms of the Transaction Documents to be enforceable and the Bank or such other person in favour of whom such security or any part thereof is created shall have, inter alia, the following rights (anything in the Transaction Documents to the contrary notwithstanding) namely : (i) to enter upon and take possession of the assets comprised within the security, if any; and/or

(ii) to transfer the assets comprised within the security created, if any by way of lease, leave and licence, sale or otherwise.”.

B. In addition to the rights specified in sub-clause (A) above, the Bank shall also be entitled to appoint: (i) any person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and / or the concerned person and/ or the assets including their respective premises, factories, plants and units and to report to the Bank; (ii) any Chartered Accountants / Cost Accountants as auditors for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower and/or the concerned person for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower.

C. Notwithstanding any suspension or termination pursuant to these Terms, all the provisions herein for the benefit or protection of the Bank and its interests shall continue to be in full force and effect as provided herein.

D. Without prejudice to the rights and remedies available to the Bank, the Borrower hereby agrees and confirms that upon the occurrence of any Event of Default, the Borrower shall not repay any Indebtedness (including working capital facilities) incurred by the Borrower without repaying the Facilities.

6.4 All expenses incurred by the Bank, whether before or after an Event of Default, has occurred including in connection with: (a) preservation and / or protection of, or enforcement action against the Borrower's assets or the assets comprised within the security, if any, for the Facilities (whether then or thereafter existing), and (b) collection of amounts due under the Transaction Documents, shall be payable by the Borrower.

## 7. WAIVER

7.1 No delay in exercising or omission to exercise any right, power or remedy accruing to the Bank upon any default or otherwise under the Transaction Documents shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Bank in respect of any default or any acquiescence by it in any default, affect or impair any right, power or remedy of the Bank in respect of any other default. The rights of the Bank under the Transaction Documents may be exercised as often as necessary, are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the Bank's sole discretion.

## 8. PAYMENT, PREPAYMENT AND OTHER CHARGES

8.1 The Borrower/s shall repay the Facility to the Bank in such number of instalments, and with such instalment/s being of such amounts and on the due date(s) as is specified in the Application Form(s) (time being of the essence of the contract); such instalments are hereinafter referred to, individually, as an "Instalment" and, collectively, as the "Instalments".

8.2 The expression "Instalments" shall comprise of both the principal amount of the Facility and interest thereon where the principal amount of the Facility is agreed to be paid in Instalments. If the Facility is payable in Instalments, such Instalments shall be calculated on the basis of monthly rests and the Bank shall be entitled to vary/modify the Instalments (including increases in the amount of one or more Instalment/s) in the event of changes to the interest rate on the Facility.

8.3 At the request of the Borrower and if agreed upon by the Bank, the Borrower/s shall pay to the Bank Instalments on the amounts disbursed under the Facility based on the full tenor of the Facility. On each subsequent disbursement the Instalments of the Facility shall be increased to amortise the Facility over the balance term of the Facility.

8.4 The Borrower/s may repay / pay the Instalments and other monies in respect of the Facility through any one of the following modes – post-dated cheques ("PDC method") / the Electronic Clearing System (Debit Clearing) as notified by the RBI ("ECS method")/ direct debit from the Borrower/s' bank account held with ICICI Bank <sup>3</sup>("Direct Debit method") / by deduction from the Borrower/s' salary ("Salary Debit method") / by directly paying amounts when due to the Bank ("Direct Payment method") / by any other method, and as has been selected by the Borrower/s or as may be required by the Bank. The Bank may, in its sole discretion, require the Borrower/s to adopt or switch to any alternate mode of payment and the Borrower/s shall comply with such request, without demur or delay. The method for payment as selected by the Borrower/s or the mandates given by the Borrower/s under any payment mode cannot be cancelled or revoked by the Borrower/s without prior consent of the Bank. If the Borrower/s cancels or revokes (or attempts to cancel or revoke) such mandates without the prior consent of the Bank, such acts of the Borrower/s shall be deemed to have been committed with a criminal intent to cause wrongful loss to the Bank and the Bank shall be entitled to initiate appropriate criminal proceedings against the Borrower/s, without prejudice to the Bank's other rights and remedies under law and/or under the Transaction Documents. Without prejudice to the Bank's rights under the provisions of the Negotiable Instruments Act, 1881 and the Transaction Documents, the Borrower/s shall pay cheque dishonour charges and missed payment charges to the Bank as specified in the Application Form(s) for first and subsequent re-presentations. Submission of post-dated cheques by the Borrower/s to the Bank shall be deemed to be an unconditional and irrevocable authority given by the Borrower/s to the Bank to present them for payment on or after the dates indicated on such cheques. The Borrower/s shall ensure that each of such cheques is honoured on first presentation.

8.9 The number of advance Instalments, if any mentioned in the Application Form(s), paid by the Borrower/s to the Bank (or its nominees) prior to disbursement of the Facility (or at any other time, as may be specified by the Bank) shall be adjusted against the payment of the last Instalments (of an equal number) or in any other manner as decided by the Bank. The Borrower/s shall not be eligible to any interest on the amount of such advance Instalments.

8.10 Notwithstanding anything contained in the Application Form(s) and/or the other Transaction Documents, and irrespective of the mode of payment selected by the Borrower/s in the Application Form(s), upon any default by the Borrower/s in payment of one or more Instalments on the Due Date pertaining to the Facility or any non-realisation of the Instalments on the Due Date by the Bank, the Bank shall be entitled, without prejudice to its other rights under the Transaction Documents, to present and/or re-present the post-dated cheques issued by the Borrower/s in favour of the Bank in connection with the Facility. Irrespective of the mode of payment/repayment selected by the Borrower/s in the Application Form(s), the Bank shall, as it may deem appropriate and necessary, be entitled to require the payment and/or collection of the Instalments and all other amounts comprising the Borrower/s' Dues as expressed in the Transaction Documents, or the post dated cheques, if any, submitted by the Borrower/s, by means of electronic clearing system (debit), by itself or through such other person permitted for the same, instead of and in lieu of presenting / re-presenting such post dated cheques, if any, issued by the Borrower/s in favour of the Bank or utilizing any other mode or manner of payment or repayment of the Instalments and all other amounts comprising the Borrower/s' Dues, provided that such right of the Bank shall be without prejudice to its other rights under the Transaction Documents (including the right to re-present the post dated cheques), in case of any failure to receive the Instalments or any other amounts due, through the electronic clearing system (debit) for any reason whatsoever.

8.11 The Borrower/s shall at all times maintain sufficient funds in his/her/their bank account/s to ensure that the Instalments and other monies in respect of the Facility are received /realised by the Bank.

8.12 Notwithstanding the mode of repayment/payment selected by the Borrower/s in the Application Form(s), the Borrower/s shall continue to remain at all times liable and responsible for ensuring the payment/repayment of all Instalments and all other monies in respect of the Facility to the Bank on or before the relevant Due Date(s) without any further notice/intimation being given by the Bank and all such amounts payable by the Borrower/s to the Bank shall be paid, at such place/s as the Bank may specify, without any deductions whatsoever so as to enable the Bank to fully realise the amounts due on or before the respective Due Date(s). Credit for payments by any method will be

given only on realisation or on the relative Due Date(s) whichever is later. The acceptance by the Bank of any payment which is less than the full Instalment or other amounts due and owing at such time shall not constitute a waiver of the Bank's right to receive payment in full at such time or at any subsequent time or a waiver of any other rights whatsoever of the Bank under the Transaction Documents.

8.13 The Borrower/s shall not be entitled to cancel or issue stop-payment instructions with respect to the post-dated cheques for so long as the Facility (or any part of the Borrower/s' Dues) is outstanding and any such acts of the Borrower/s shall be deemed to have been committed with an intention to cheat the Bank and avoid prosecution under the Negotiable Instruments Act, 1881, and the Bank shall be entitled to initiate appropriate criminal proceedings against the Borrower/s.

8.14 The Borrower/s shall promptly replace the post-dated cheques and/or the mandates, Transaction Documents and/or other documents executed for payment of the Instalments and issue fresh post-dated cheques, mandates, Transaction Documents and/or other documents in lieu thereof to the satisfaction of the Bank, if the Bank is facing any difficulty/inconvenience/impediment for any reason whatsoever in presenting such cheques / issuing debit instructions or if required at any time by the Bank at its sole discretion.

8.15 The Borrower/s may, subject to prior approval by the Bank, be permitted to swap/ exchange the post-dated cheques issued to the Bank with alternate post-dated cheques drawn on another bank (as approved by the Bank) subject to payment to the Bank of the "cheque swap" charges as applicable at the time of swap / exchange of PDCs by the Borrower/s.

8.16 The payment of the Instalments and other monies in respect of the Facility shall commence and continue as specified in the Application Form(s) irrespective of any non delivery / delayed delivery of the Property(ies); any dispute/difference whatsoever between any parties in relation to the Property(ies) shall not entitle the Borrower/s to withhold or delay payment of any Instalment or other sums.

8.17 The Borrower/s shall not, without the approval of the Bank (which approval may be given subject to such terms and conditions as may be stipulated by the Bank including payment of minimum prepayment amount, prepayment charges or discounted interest and/or any other charges, plus applicable interest tax or other statutory levy), prepay the outstanding principal amount of the Facility in full or in part, before the Due Dates. In the event any part prepayment of the Facility is permitted by the Bank, the Bank shall be entitled to amend the repayment schedule/amount of Instalment(s) as specified in the Application Form(s) and the Borrower/s shall thereafter make payment of the Instalments as per such amended Application Form(s).

8.18 If the Borrower/s default/s in making payment of any Instalment/s or any other amounts comprising the Borrower/s' Dues to the Bank on the respective Due Date(s), the Borrower/s shall be liable to pay default / further interest at the rate specified in the Application Form(s) (plus applicable interest tax or other statutory levy) on all such outstanding/unpaid amounts from the relevant Due Date till the date of payment of such entire amount. Such default / further interest shall be in addition to any other charges which the Borrower/s is liable to pay to the Bank in terms of the Transaction Documents. Such default / further interest shall be computed from respective Due Dates for repayment / payment and become payable upon the footing of compound interest at rates mentioned in the Application Form(s) with monthly rests or such other rests as may be prescribed by the Bank from time to time. The rate of interest as specified above is reasonable and represents genuine pre-estimate of the loss expected to be incurred by the Bank in the event of non-payment of any monies by the Borrower/s.

8.19 All fees, charges and other monies payable / paid by the Borrower/s under the Transaction Documents are non-refundable in nature. Interest, commitment fee / charges, further interest and all other charges shall accrue from day to day and shall be computed on such basis as may be decided by the Bank, in its sole discretion, which may be on the basis of 1/12 applied monthly or 365 days a year and the actual number of days elapsed.

8.20 If the Due Date in respect of any amounts payable in respect of the Facility falls on a day which is not a Business Day at the place where the payment is to be made, the immediately preceding Business Day shall be the Due Date for such payment.

8.21 The Borrower/s shall bear all interest tax, service tax, all other imposts, duties (including stamp duty and relevant registration and filing charges and taxes of any description whatsoever) as may be levied from time to time by the Government or other authority in connection with/on (a) the application for, and the grant and repayment of, the Facility, (b) the Borrower's Dues, the Application Form(s), and/or any Transaction Document, (c) recovery and realisation of the Borrower/s' Dues, (d) the creation, enforcement and realisation of the security (including taking possession of, maintaining, storing and selling/transfer of the Property(ies)), (e) repairing of the Assets(s) and clearance of arrears of all taxes and any other charges and levies payable to the Government in respect of the Property(ies), (f) inspections, and (g) insuring the Property(ies). The Borrower/s shall pay all costs, charges, fees,

expenses in any way incurred by the Bank; the Borrower/s shall also pay stamp duty, other duties, taxes, charges and penalties if and when the Borrower/s is required to pay according to the laws for the time being in force. In the event of the Borrower/s failing to pay the monies referred to above, the Bank shall be at liberty (but shall not be obliged) to pay the same.

8.22 The Borrower/s shall reimburse all sums paid and/or expenses incurred by the Bank (including by or on behalf of their trustees / agents / representatives / consultants / appraiser) in relation to the Facility within 7 days from the date of notice of demand from the Bank or the Bank shall be entitled to include such amounts in the principal amount of the Facility and modify the Instalments and/or tenure of the Facility as may be decided by the Bank. All such sums shall carry interest from the date of payment till such reimbursement at the rate of further interest specified in the Application Form(s).

8.23 The Bank, at its absolute discretion, appropriate any payments made by the Borrower/s in accordance with the Standard Terms and/or the Transaction Documents or otherwise and any amounts realised by the Bank by enforcement of security or otherwise, towards the dues payable by the Borrower/s to the Bank under the Application Form(s) and/or any of the Transaction Documents whatsoever between the Borrower/s and the Bank and in any manner whatsoever. Notwithstanding any such appropriation by the Bank towards settlement of any dues payable by the Borrower/s to the Bank under any other Transaction Documents between the Borrower/s and the Bank, the Borrower/s shall continue to remain liable to the Bank for all outstanding/remaining amounts comprising the Borrower/s' Dues.

8.25 The Bank will be entitled to receive and apply /adjust /appropriate monies that it may receive under any insurance policy/ies against amounts payable under the Standard Terms and/or the other Transaction Documents without affecting the Borrower/s' obligations under the Transaction Documents. If such application / adjustment / appropriation result in part repayment of the Facility, the repayment schedule shall stand modified and the Borrower/s shall thereafter pay the Instalments as per the modified repayment schedule that the Bank may indicate to the Borrower/s.

8.26 The Bank may at its sole discretion and at the request of the Borrower/s, permit substitution of any or all of the Borrower/s subject to such terms and conditions as the Bank may specify. On substitution, such of the Borrower/s who is substituted will cease to be bound and liable under the Standard Terms and the other Transaction Documents (including for past obligations), and the substituted Borrower/s will become bound to the Bank for performance of all obligations under the Standard Terms (including past obligation of the substituted Borrower/s) and the other Transaction Documents. The substituted Borrower/s will separately confirm in writing to the Bank the liability and responsibility to fulfil the obligations arising under the Standard Terms and the other Transaction Documents.

## 9. RIGHTS AND REMEDIES OF THE BANK

9.1 On the happening of any of the Events of Default or if the Limits are not renewed beyond the period specified in the Application Form(s) or if the Borrower/s has not availed of or drawn from the Facility by the Validity Period, the Bank may, by a notice in writing to the Borrower/s and without prejudice to the rights and remedies available to the Bank under the Transaction Documents or otherwise : (a) terminate the Facility and/or call upon the Borrower/s to pay all the dues in respect of the Facility, and/or (b) suspend further access / drawals by the Borrower/s to the use of the Facility under the Transaction Documents; the right of the Borrower/s to avail of or make drawals from the Facility shall continue to be suspended until the Bank notified the Borrower/s that the right to avail of or make drawals from the Facility has been restored, and/or (c) declare the security created, if any, in terms of the Standard Terms and / or the other Transaction Documents to be enforceable, and the Bank or such other person in favour of whom such security or any part thereof is created shall have, inter alia, the following rights (anything in the Standard Terms and/or the other Transaction Documents to the contrary notwithstanding) namely

- (i) to enter upon and take possession of the assets comprised within the security, if any; and/or
- (ii) to transfer the assets comprised within the security created, if any by way of lease, leave and licence, sale or otherwise.

B. In addition to the rights specified in sub-clause (A) above, the Bank shall also be entitled to appoint: (i) any person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower/s and /or the assets including the Borrower/s premises, factories, plants and units and to report to the Bank; (ii) any Chartered Accountants / Cost Accountants as auditors for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower/s.

C. Notwithstanding any suspension or termination pursuant to the Standard Terms, all the provisions of the Standard Terms for the benefit or protection of the Bank and its interests shall continue to be in full force and effect as provided in the Transaction Documents.

D. Without prejudice to the rights and remedies available to the Bank, the Borrower/s hereby agrees and confirms that upon the occurrence of any Event of Default, the Borrower/s shall not repay any Indebtedness (including working capital facilities) incurred by the Borrower without repaying the Facility.

9.2 All expenses incurred by the Bank, whether before or after an Event of Default, has occurred including in connection with : (a) preservation and / or protection of, or enforcement action against the Borrower/s assets or the assets comprised within the security, if any, for the Facility (whether then or thereafter existing), and (b) collection of amounts due under the Standard Terms and the other Transaction Documents, shall be payable by the Borrower/s.

9.3. The Bank shall be entitled, at the sole risk and cost of the Borrower/s, to engage one or, more person(s) to collect the Borrower/s' Dues and/or to enforce any security provided by the Borrower/s, and the Bank may (for such purposes) furnish to such person(s) such information, facts and figures pertaining to the Borrower/s, the security and/or the Property(ies) as the Bank deems fit. The Bank may also delegate to such person(s) the right and authority to perform and execute all acts, deeds, matters and things connected therewith, or incidental thereto, as the Bank deems fit.

9.4 The Bank shall not in any way be liable/responsible, notwithstanding anything to the contrary under any applicable laws, for any loss, deterioration of or damage to, the Property(ies) on any account whatsoever whilst the same are in the possession of the Bank or by reason of exercise or non-exercise of any rights and remedies available to the Bank as aforesaid.

9.5 Upon occurrence of any Event of Default: (a) The Bank shall also be entitled and authorised to contact and require the Borrower/s' employers to make deduction/s from the salary/wages payable by the employer to the Borrower/s and to remit the same to the Bank until all of the Borrower/s' Dues outstanding from the Borrower/s to the Bank is/are completely discharged. The deductions shall be of such amounts, and to such extent, as the Bank may communicate to (and instruct) the Borrower/s' employers. The Borrower/s shall not have, or raise/create, any objections to such deductions. No law or contract governing the Borrower/s and/or the Borrower/s' employer prevents or restricts in any manner the aforesaid right of the Bank to require such deduction and payment by the Borrower/s' employer to the Bank. Provided however that in the event the said amounts so deducted are insufficient to repay the outstanding Borrower/s' Dues to the Bank in full, the unpaid amounts remaining due to the Bank shall be paid by the Borrower/s in such manner as the Bank may in its sole discretion decide and the payment shall be made by the Borrower/s accordingly;

(b) The Bank shall also be entitled to appoint: (i) any person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower/s and /or the assets including its premises, factories, plants and units and to report to the Bank; (ii) any Chartered Accountants / Cost Accountants as auditors for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower/s for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower/s.

9.6 The Borrower unconditionally agrees, undertakes and acknowledges that ICICI Bank has an unconditional right to cancel the outstanding un-drawn commitments under the Transaction Documents at any time during the currency of the Facility and that ICICI Bank shall endeavor to provide prior intimation of the same to the Borrower

9.7 Notwithstanding any suspension of the Facility, all rights and remedies of the Bank under the Transaction Documents shall continue to survive until the receipt by the Bank of the Borrower/s' Dues in full.

## 10..MISCELLANEOUS

10.1 All notices or other communications under or in connection with the Transaction Documents shall be given in writing and, unless otherwise stated may be made by letter or facsimile. Any such notice or other communication will be deemed to be effective: (i) if sent by letter, when delivered personally or if dispatched by post, when recall of the letter is outside the control of the sender; and (ii) if sent by facsimile, when sent (on receipt of a confirmation to the correct facsimile number). Provided, however, that no notice or communication to the Bank shall be effective unless actually received by the Bank. Notices or communication may be made to: (i) the Borrower's recognised address or facsimile number, and (ii) the Bank's address or facsimile number of its zonal / regional office specified by the Bank in the Transaction Documents, or to such other address or facsimile number as may be designated by the Borrower and the Bank in writing to each other.

10.2 The entries made in the accounts / account books / records of the Bank maintained in accordance with its usual practice and in compliance with the statutory requirements and/or a statement signed by a designated officer of the Bank, shall be final and binding on the Borrower. Such entries and/or statement shall be prima-facie and conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded in respect of the Facilities.



10.3 Upon receipt from the Bank of statement(s) giving details of: (i) the aggregate debit balance (total indebtedness) in the Account as on the date(s) stated in such statement(s); (ii) the further applicable accrued interest from the aforesaid date(s) mentioned in the aforesaid statement(s); (iii) securities, if any, created for securing the Facilities / the amounts stated in the aforesaid Account, the Borrower shall forward its acknowledgement of the aforesaid indebtedness and the securities, if any, specified in the aforesaid statement(s), in the form prescribed by the Bank. In the event the Bank does not receive such acknowledgement from the Borrower within a period of ten days from the date of receipt of statement from the Bank, the Borrower shall be deemed to have confirmed the correctness of the entries in such statement(s) and acknowledged the indebtedness for the balance mentioned in the aforesaid statement(s). Non-receipt by the Borrower of statements pertaining to the Accounts or the incorrectness of any entry therein shall be brought to the notice of the Bank by the tenth day of every month or on receipt of such statement, as the case may be.

10.4 The Borrower agrees that any legal action or proceedings arising out of these Terms may be brought by the Bank, in its absolute discretion, in any competent court, tribunal or other appropriate forum having jurisdiction.

10.5 The Transaction Documents (unless otherwise specified in any Transaction Document) shall be governed by and construed in accordance with the laws of India.

10.6 (a) The Borrower shall not assign or transfer all or any of its rights, benefits or obligations under the Transaction Documents without the approval of the Bank. The Bank may, at any time, assign or transfer all or any of its rights, benefits and obligations under the Transaction Documents. Notwithstanding any such assignment or transfer, the Borrower shall, unless otherwise notified by the Bank, continue to make all payments under these Terms to the Bank and all such payments when made to the Bank shall constitute a full discharge to the Borrower from all its liabilities in respect of such payments; (b) Without prejudice to the aforesaid provision, the Bank may (at its sole discretion), without notice to the Borrower, share the credit risk of the whole or a part of the Facilities with any other person by way of participation. Notwithstanding such participation, all rights, title, interests, special status and other benefits and privileges enjoyed or conferred upon or held by the Bank under the Transaction Documents shall remain valid, effective and enforceable by the Bank on the same terms and conditions and the Borrower shall continue to discharge in full all its obligations under the Transaction Documents to the Bank. The Borrower shall not have and shall not claim any privity of contract with such person on account of any reason whatsoever.

10.7 Subject to Section 11.6 hereof, these Terms shall be binding upon and ensure to the benefit of each party hereto and its successors and assigns.

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

10.9 The Borrower hereby agrees and confirms that in case any other person providing any financial assistance to the Borrower imposes any conditions not included herein, or in case any of the terms offered by the Borrower to such person is more favourable to such person than the terms stipulated by, or offered to, the Bank, the Borrower shall promptly inform the Bank of such terms or conditions and such of those terms and conditions as may be considered necessary by the Bank, in its discretion, shall apply to the Facilities as if the Borrower had specifically agreed to such terms and conditions, which terms and conditions shall be deemed to have been expressly incorporated herein.

10.10(a) The Borrower hereby agrees, confirms and undertakes that :

(i) The Bank shall, as it may deem appropriate and necessary, be entitled to disclose all or any : (a) information and data relating to the Borrower; (b) information or data relating to the Facilities or any other credit facility(ies) availed / to be availed by the Borrower from the Bank; (c) obligations assumed / to be assumed by the Borrower in relation to the Facilities; (d) default, if any, committed by the Borrower in discharge of the aforesaid obligations, to any agency/credit bureau (the "Agency") authorised in this behalf by RBI;

(ii) The Agency so authorised may use, process the aforesaid information and data disclosed by the Bank in the manner as deemed fit by them;

(iii) The Agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to banks / financial institutions and other credit grantors or registered users, as may be specified by RBI in this behalf;

(iv) The information and data furnished by the Borrower to the Bank from time to time shall be true and correct.

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

10.11 With a view to monitoring the end use of funds, if ICICI Bank desires a specific certification from the Borrower's auditor(s) with regard to the end use of funds, the Borrower(s) hereby agree and undertake to provide the same immediately on request from ICICI Bank.

10.12 The Standard Terms shall be binding on the Borrower and the Bank on and from the date first above written. It shall be in force till all the monies due and payable these Standard Terms are fully paid off by the Borrower to the Bank.

In case the Borrower/s is a partnership firm:

No change whatsoever in the constitution of the partnership firm during the continuance / validity of the Facility shall impair or discharge the liability of any one or all of the partners. In the event of death or retirement of any partner, ICICI Bank shall at its discretion deal with the surviving and/or continuing partner/s, without affecting its rights as against the retiring partner or the heirs and legal representatives of the deceased partner, as ICICI Bank shall think fit and proper, and the retiring partner and / or the heirs, executors, administrators, legal representatives of the deceased partner shall have no claim as against ICICI Bank in respect of such dealing.

The partners named in the Application Form are the only partners of the firm named in the Application Form; Such partners shall : (i) advise ICICI Bank in writing of any changes which may take place in the partnership; (ii) not dissolve / reconstitute the partnership firm without the approval of ICICI Bank;

All the partners are jointly and severally liable to ICICI Bank for performance of all obligations under the Facility.

In case the Borrower/s is an HUF:

ICICI Bank shall at all times be informed of any changes in the constitution of the HUF named in the Application Form by furnishing necessary documents and writings. No change whatsoever in the constitution of the HUF during the continuance / validity of the Transaction Documents shall impair or discharge the liability of any one or all of the adult members / coparceners of the HUF and shall be binding on the HUF, its estate, effects and successors.

The Transaction Documents shall be enforceable against the Karta or any succeeding Karta of the HUF or against any and all the adult coparceners / members of the HUF.

The Karta, acting for the HUF and in his personal capacity, and the other adult members / coparceners of the joint HUF named in the Application Form are the only adult members / coparceners of the HUF;

The business carried on under the name and style given in the Application Form is their joint family trade which is binding on the minor members, if any, being ancestral trade / business;

The transactions contemplated in relation to the Facility are a part of the HUF business / trade referred to above;

The HUF business / trade is being conducted and managed by the adult members / coparceners of the HUF and all of them have been jointly and individually empowered to perform the terms of the Transaction Documents, against security or otherwise, and execute all necessary instruments, deeds, documents and writings and do all such acts, things and deeds as are necessary or incidental to the performance of the terms of the Transaction Documents, and also execute, draw, endorse, negotiate and sell cheques, bills, pro-notes, bills of exchange and other negotiable instruments on behalf of the HUF.

The Karta, acting for the HUF and in his personal capacity, and the other adult coparceners / members of the HUF also hereby indemnify and keep ICICI Bank indemnified against all actions, claims, demands, proceedings, losses, damages, costs, charges and expenses whatsoever which ICICI Bank may at any time incur, suffer, pay or sustain as a consequence of or by reason of or arising out of the transactions contemplated in the Transaction Documents, and hold themselves personally liable, jointly and severally, in respect of all transactions entered into with ICICI Bank or obligations incurred under the Transaction Documents.

In case the Borrower/s is a proprietor:

The person named in the Application Form is the sole proprietor / proprietress of the concern / firm named in the Application Form; The proprietor / proprietress is solely responsible for the liabilities of the aforesaid firm / concern and will be liable personally for performance of all obligations under the Transaction Documents.

In case the Borrower/s is a company:

No change whatsoever in the constitution of the Borrower during the continuance / validity of the Transaction Documents shall impair or discharge the obligations of the Borrower under the Transaction Documents. The Borrower shall, forthwith upon any change in the constitution of the Borrower, inform ICICI Bank of the change and provide such details in respect of the change and its effect, as may be required by ICICI Bank.

The Borrower shall furnish to ICICI Bank such resolutions including under Section 293(1)(a) & (d) of the Companies Act, 1956, as may be required in connection with the transactions contemplated in the Transaction Documents.

Disclaimer:

"ICICI Bank may, at its sole discretion, utilise the services of external service provider/s or agent/s and on such terms as required or necessary, in relation to its products"

## Schedule I

### PRODUCT SCHEDULE – LC FACILITIES

#### 1. LC FACILITIES

The Bank has, at the request of the Borrower, agreed to open Letters of Credit in rupees in favour of the Suppliers for amounts to the maximum extent of the respective Limits specified in the Application/Transaction Documents (the “LC Facilities”, which expression shall, as the context may permit or require, mean any or each of such LC Facilities) from time to time.

Provided, however, the total of LC Outstanding and Amounts Devolved under the LC Facilities shall not at any point of time exceed the amount of the respective Limits.

#### 2. PAYMENT AND INTEREST

(a) The Borrower shall accept and /or pay all Bills drawn in terms of the : (a) Sight LCs, on presentation of Documents, (b) Usance LCs, on the date of its maturity,

(b) If, on default by the Borrower in paying the Bills / amounts paid/payable by the Bank in respect of the LCs on the Date of Crystallisation, the Bank is called upon/required /expected to pay or has paid, all or any of the monies in pursuance of the LCs, the Borrower shall forthwith pay / reimburse to the Bank, all amounts payable or as the case may be, paid by the Bank under the LCs together with all interest, costs, charges, expenses and monies whatsoever stipulated in or payable under the Transaction Documents. The Bank shall be entitled, at its sole discretion, without any further consent from the Borrower, to debit any of the Account at the concerned branch of the Bank, with the amount of any payments the Bank is required to make / makes under or in respect of the LCs, as also all interest, commission, charges and other monies payable by the Borrower in respect of the LCs.

(c)(i) Notwithstanding the above and without prejudice to the Bank’s other rights and remedies under this Terms and other Transaction Documents, the Bank shall be at liberty to crystallise on the Date of Crystallisation, the Borrower’s outstanding liability in respect of the LCs whereupon the Borrower shall forthwith pay / reimburse to the Bank the Indian rupee in respect of such LCs (the “Defaulted Amounts – FC LC”) and until such payment by the Borrower, the same shall unless otherwise agreed to by the Bank in writing be deemed to be on demand loan to the Borrower and shall, without prejudice to any other rights and remedies available to the Bank, carry interest at the Default Interest rate as specified in the Final Application form or any amendment thereon and from the date of payment by the Bank with monthly rests.

(3)(b) Notwithstanding the above and without prejudice to the Bank’s other rights and remedies under this Application, the Bank shall be at liberty to crystallise on the Date of Crystallisation, the Borrower’s outstanding liability in respect of the LCs denominated in rupees (the “Defaulted Amounts – RLC”) and until such payment by the Borrower, the same shall unless otherwise agreed to by the Bank in writing be deemed to be on demand loan to the Borrower and shall, without prejudice to any other rights and remedies available to the Bank, carry interest at the Default Interest rate as specified in the Final Application form or any amendment thereto on and from the date of payment by the Bank with monthly rests.

Defaulted Amounts – RLC are hereinafter referred to as the “Defaulted Amounts.”

#### 3. ADDITIONAL PROVISIONS IN RELATION TO LC FACILITIES

##### (A) BORROWER’S UNDERTAKINGS

The Borrower further agrees, confirms and undertakes as follows :

(i) The Bank may in its sole and absolute discretion and without reference to the Borrower and without the Bank being required to ascertain whether or not there was any breach on the part of the Borrower of the Transaction Documents / contracts underlying the LCs and without the Bank being required to go into the validity thereof or otherwise and notwithstanding any directions to the contrary given by the Borrower or any other person on the

ground of a dispute as to the liability of the Borrower or otherwise, admit or compromise and pay or submit to arbitration or dispute or resist any claim or demand made against the Bank under or in respect of such LCs and the benefit under the Transaction Documents shall continue to be available to the Bank in respect of any action or repayment which the Bank may take or make in respect of such LCs / LC Facilities.

(ii) The Borrower shall not amend or agree to amend or grant waiver of any of the provisions of the Documents.

(iii) The LCs will be opened by the Bank only as per the provisions of applicable laws and regulations including exchange control norms laid down by RBI.

(iv) LCs will be opened by the Bank against valid import licences, wherever applicable.

(v) In respect of Usance LCs, the goods received under the unpaid LCs will be excluded from the value of stocks for arriving at Drawing Power for availing fund based financial assistance.

(vi) In case of high value LCs, the Borrower shall, if so required by the Bank, furnish projected cash flow statements; In addition, the Bank shall be entitled to also call for opinion reports from reputed information exchange bureaus like Dun and Bradstreet or from other banks / institutions in India or overseas at the costs and expenses of the Borrower.

(viii) The Bank shall issue LCs only in a form acceptable to the Bank.

(ix) The Borrower shall make adequate arrangement for retiring the Documents under the LC Facilities and does not contemplate to seek any financial assistance from the Bank for such purpose, unless otherwise previously arranged with the Bank.

(x) The Borrower shall have furnished to the Bank at the time of submitting the Documentary Credit Application, the following, duly completed : a) Order together with the order confirmation of Supplier, or b) Proforma invoice of Supplier duly countersigned by the Borrower; or d) Any other documents as may be specified by the Bank from time to time.

(xi) The Borrower shall submit to the Bank the exchange control copy of the relative Customs Bills of Entry within the time limit stipulated by RBI.

(xii) In the event the Borrower requests the Bank to issue delivery order ("DO") pending receipt of Documents to enable the Borrower to clear the goods covered under the LCs , the Borrower shall :

(a) accept and retire the Documents irrespective of any discrepancy on receipt or on due date without any demur whatsoever; (b) indemnify and keep the Bank indemnified against any liability, loss, damages, costs and expenses (including costs between attorney and client) awarded against or incurred or paid by the Bank as a result of or in connection with the Bank issuing DO and / or the Borrower refusing to accept any discrepancy in the Documents on receipt or on due date.

(xiii) In the event agency commission is payable in India or abroad, the Borrower shall deduct the same and request the Bank to open the LCs for the net amount of the contract value.

#### **(B) CONFIRMATION BY BORROWER**

The Borrower further agrees , confirms and declares that:

(i) the Documentary Credit Application shall be deemed to have been accepted when advice thereof has been sent to the beneficiary through SWIFT / tested telex / airmail;

(ii) the date of receipt of Documents by the Bank under the LC Facilities as registered in the records of the Bank shall be conclusive and binding on the Borrower;

(vii) the LCs may be amended and/or modified by the Bank in its absolute discretion, including for an increased limit on the Borrower giving the Bank written instruction for the same and in such an event, such amendment/ modification will be deemed to form part of the relevant Documentary Credit Application and will be governed by the terms hereof and the Borrower agrees, covenants, records and confirms that it shall be bound by the same as if such amendment/modification including the increased limit had originally constituted the term of the LCs;

(viii) the LC Facilities shall be utilised only for the purpose as has been disclosed to the Bank in Documentary Credit Application, unless otherwise previously permitted by the Bank in writing;

(ix) the Bank shall be entitled, at its sole discretion and without any reference to and/or consent of the Borrower, to make payment of the Bills under the LCs on presentment thereof or on the due date thereof;

(x) notwithstanding the possibility, existence, pendency or continuance of any dispute or differences or of any arbitration proceedings or of any suit or other legal proceedings whatsoever between the Borrower and the beneficiary or beneficiaries of the LCs and/or between the Borrower(s) inter-se which may directly or indirectly arise out of or under or in connection with the subject matter/s of the LCs or which may affect the legality or validity of the LCs and/or any transaction/s directly or indirectly connected with or relating to or arising out of subject matter/s of the LCs, the reasonableness or propriety or validity of any such payment shall be conclusive and binding on the Borrower so far as concerns the Borrower's liability to the Bank under the Transaction Document.

(xi) In respect of goods or documents of title to goods in favour of the Bank / held by the Bank released by the Bank in its sole discretion at the request of the Borrower, the Borrower agrees, confirms and undertakes that :

(a) the Borrower shall receive hold and store the underlying goods and/ or documents and / or any other goods / documents delivered by the Borrower to the Bank as trust agents for the Bank until sale and as such trust agents, sell the goods (if so required by the Bank at such price as the Bank may approve) and upon sale and as long as any monies remain due the Bank, hold the sale proceeds on trust for the Bank and immediately upon receipt thereof, pay

the said proceeds to the Bank without any deduction and at the same time advise the Bank of the account and the transaction in respect of which such payment is made;

(b) the Bank shall have full authority to demand and receive from any person(s) the purchase money of such goods or any part thereof;

(c) the Borrower shall at its own cost insure and keep the aforesaid goods insured to their full value against such risks and with such insurers acceptable to the Bank, and hold the policies on behalf of the Bank and in the name of the Bank, and if required assign, and deliver the policies to the Bank and ensure payment to the Bank of all sums payable by the insurers under or in respect of such policies;

(d) the Borrower shall store / keep the aforesaid goods separate and shall not raise any finance against the same without the approval of the Bank and the aforesaid goods shall be excluded from the value of stocks for arriving at Drawing Power for availing fund based financial assistance;

(e) the Bank, its officers, servants and agents shall be at liberty at all times without notice to the Borrower, to inspect the aforesaid goods and retake possession or demand redelivery thereof to the Bank (which the Borrower undertakes to give on demand) and remove and sell the same in such manner and upon such terms and conditions as to price and otherwise as the Bank may in its absolute discretion think fit and otherwise to take whatever steps the Bank consider expedient for the protection of their interest therein and enforcement and realization of security;

(f) the aforesaid goods shall be a security to the Bank for the payment of all monies payable to the Bank from the Borrower under the LC Facilities and all monies in respect thereof under the Transaction Documents;

(g) the aforesaid goods shall in all respects be treated by the Borrower in the books of the Borrower as belonging to and held on behalf of the Bank.

(xii) The Borrower hereby indemnifies the Bank :

(a) against all losses, costs, damages, expenses whatsoever that the Bank may incur or sustain by reason of the Borrower's act, default or omission or of the Borrower's servants or employees or other person acting on behalf of the Borrower in respect of goods, movables and other assets pledged to the Bank and released to the Borrower on trust;

(b) against all losses, costs, damages, expenses or consequences whatsoever that the Bank may incur or sustain as a result of the Bank complying with the Borrower's instructions to deliver to the Borrower or to the Borrower's clearing agents the documents covering the goods, movables and other assets; whether or not the said documents are in order; notwithstanding any discrepancy between the price/value, quantity and quality of the goods, movables and other assets covered by the documents and price, quantity and quality specified in the contract; and

(c) against all consequences, losses and damages that may arise as a result of the Bank's complying with the Borrower's request to effect advance payments from time to time to the suppliers, whether or not the suppliers consign the goods, movables and other assets, whether or not the documents in respect thereof are received by the Bank; and notwithstanding any discrepancy between the quantity or quality of the goods, movables and other assets received from the suppliers and the contracted quantity and quality.

(xiii) if for any reason whatsoever the liability of the Bank extends beyond the validity period specified in the LCs or if the Bank is prevented by any action initiated by the Borrower or otherwise from making payment of part or whole of the amounts under the LCs, the Borrower shall be liable to pay commission also for the period for which the Bank remains liable under the LCs and/or the period for which the payment of the amounts under the LCs / discharge from the obligations under the LCs has been delayed;

(xiv) the Borrower shall provide / deposit immediately on demand and without demur, additional acceptable security to the Bank and/or sufficient amounts by way of 100% cash margin on the amounts of the LCs in respect of which the Bank is restrained from making payment.

#### (C) NO LIABILITY

The Borrower agrees that the transmission of all instructions and communications under the LCs and the Goods thereunder is entirely at the Borrower's risk. The Bank or its correspondents or agents or confirming banks shall not be responsible for any error or delay in such transmission or loss or delay in delivery of the Documents or the Goods.

#### (D) INDEMNITY

The Borrower hereby agrees to :

(i) pay to the Bank on demand, all costs (including legal and litigation costs and expenses on full indemnity basis) customs duty, penalty, demurrage, storage charges, clearing and forwarding charges and all other charges and expenses which the Bank may be put to or suffer or incur in connection with the Goods and/or the documents of title to Goods covered by the LCs for any reason whatsoever, or in the exercise or enforcement of any right or power hereby conferred or otherwise howsoever.

(ii) indemnify and keep fully indemnified and save the Bank against : (a) any claim, loss or damage, costs, charges and expenses including litigation expenses whatsoever which may be brought or made against or sustained or incurred by the Bank (and whether paid by the Bank or not) or which the Bank may become liable under or in respect

of the LCs; (b) action or proceedings made or brought against the Bank, its correspondents or confirming banks or agents; (c) any liability or loss incurred or suffered by it, its correspondents or confirming banks or agents by reason of it having established the LCs; (d) every payment made, obligation, liability, loss and damage, penalties, taxes, etc. whatsoever undertaken or incurred or suffered by the Bank (whether directly or indirectly) under or in connection with and/or arising from all or any or some of such LCs; (e) against any liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Bank as a result of or in connection with the Bank making payment to the Suppliers, under the LCs, without deducting tax in India whether or not such payment attracts withholding tax in India or requires due certification by a qualified accountant.

#### (E) SALE OF GOODS

(i) On the happening of any of the Events of Default, the Bank shall be entitled without prejudice to any of its other rights contained in this Application/Transaction Documents or under the law and without notice to the Borrower (which the Borrower hereby expressly waives), to sell the Goods whether before or after their arrival either by public auction or tender or by private contract and subject to such conditions as the Bank may deem fit to impose, or otherwise dispose of or deal with the Goods or any part thereof and/or with the relative documents of title to Goods in any manner whatsoever, without being bound to exercise any of these powers or liable for any loss in the exercise or non-exercise thereof. The proceeds realised from sale of the Goods or transfer or any document of title, remaining after deducting therefrom the costs and expense of and incidental to such sale or transfer, shall be applied in or towards payment or satisfaction of the amount(s) due to the Bank in respect of any payment made by the Bank under the LC Facilities for the account of the Borrower, and interest thereon and all costs charges and expenses as hereinabove mentioned. The Borrower shall accept the Bank's account of sale or realisation as conclusive evidence both in and out of court as to the amount(s) realised and expenses incurred, and shall pay forthwith any shortfall or deficiency remaining after such application. The Bank shall not be liable to the Borrower for any loss which may occur pending sale or disposal of the Goods and/or document of title of goods, whether by reason of theft, damage, deterioration or decay of the Goods or depreciation in the value thereof or otherwise whatsoever be the cause.

(ii) The Borrower agrees and undertakes to sign, execute and deliver to the Bank from time to time on demand made by the Bank, such further or other deeds, documents and writings and do all such acts, matters and things as may be required by the Bank for better perfecting the title of the Bank to the Goods so as to render the same readily saleable or transferable by the Bank to any purchaser(s) at all time.

#### 4. DEFINITIONS

A. In this Schedule, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings viz. :

"Amounts Devolved" means the sum of the payments due from the Borrower under all the LCs for which the Documents have been presented to and paid by the Bank but reimbursement thereof has not yet been made by the Borrower to the Bank.

"Applicable Rate of Exchange" means -

i) in case a forward exchange contract /swap has not been booked by the Borrower with the Bank, the applicable bill selling rate of the Bank prevailing on the Date of Crystallization. Provided however, that if the relevant rate of exchange is not quoted or not available for any reason on such days, then the rate prevailing on the immediately next Business Day when such rate shall be quoted or be available shall be the Applicable Rate of Exchange;

ii) the forward exchange contract /swap rate in case a forward exchange contract /swap has been booked by the Borrower with the Bank.

"Bills" means, as the context may permit or require, any or each of the bills of exchange drawn under the LCs.

"Date of Crystallisation" means the 10th day after the date of receipt of Documents by the Bank under the LCs in the case of a Sight LCs, or the date of maturity in the case of a Usance LC or as per applicable rules from time to time.

"Defaulted Amounts" shall have the meaning ascribed to it in Section 2 of this Schedule, and, as the context may permit or require, shall mean any or all of such Defaulted Amounts.

"Documents" means the documents as specified under the LCs (including all bills) and drawn up in accordance with the terms of the LCs opened under the LC Facilities and/or the documents as specified under / or in connection with co-accepted bills.

"Documentary Credit Application" means, as the context may permit or require, any or each of the Borrower's application(s) to the Bank for opening LCs and all supporting documents furnished by the Borrower in respect thereof to the Bank.

"Goods" means the relevant goods described in the Documentary Credit Application.

"LC Outstanding" means the sum of the value of all the LCs opened by the Bank on behalf of the Borrower for which the Documents have not been presented to the Bank as well as the LCs where documents are received but are not due for payment / outstanding for payment.

"Letters of Credit" or "LCs" means, as the context may permit or require, any or each of :

(i) Usance LCs and / or Sight LCs, inland

(ii) Usance LCs and / or Sight LCs, only inland



issued / opened by the Bank as per the Documentary Credit Application to the Bank for opening LCs and all supporting documents furnished by the Borrower in respect thereof to the Bank.

“Sight LCs” means the LCs which provides for payment by the Bank to the negotiating bank on presentation of relevant Documents drawn under the LCs.

“Suppliers” means the suppliers of Goods as per the terms of the LCs.

“SWIFT” means Society for World Wide International Financial Telecommunications, which expression shall include its successors and assigns.

“Usance LCs” means the LCs which provides for payment by the Bank on maturity as per the terms of the LCs.

B. All capitalised terms used but not specifically defined herein shall have the respective meanings ascribed to them under the main body of this Standard Terms/Schedule I hereof, as the case may be.

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## PRODUCT SCHEDULE-BANK GUARANTEE [BG] / STAND BY LETTER OF CREDIT [SBLC]

### 1. BG / SBLC FACILITIES

The Bank has, at the request of the Borrower, agreed to grant to the Borrower working capital facilities by way of issue of bank guarantees / standby letter(s) of credit (the "BGs", which expression shall, as the context may permit or require, mean any or each of such BGs and all renewals made thereto from time to time) in favour of entities / persons acceptable to the Bank guaranteeing / undertaking payment obligations / obligations to make payment upto the guaranteed amount in case of shortfall in performance / non-performance in terms of various Transaction Documents entered into between the Borrower and the respective beneficiaries, upto the maximum extent of the amounts of respective Limits specified in the Transaction Documents (the "BG Facilities"). Provided, however, the total of amounts outstanding under the BG Facilities shall not at any point of time exceed the amount of the respective Limits.

### 2. DEFINITIONS

All capitalised terms used but not specifically defined herein shall have the respective meanings ascribed to them under the relevant portions of the Transaction Documents.

### 3. PAYMENT AND INTEREST

(i) If the Bank is called upon to pay, or pays, all or any of the monies in pursuance of the BGs, the Borrower shall, without questioning the reasonableness or validity or otherwise of any payment made or required to be made by the Bank under the BGs, forthwith pay to the Bank, all amounts payable or as the case may be, paid by the Bank, including without limitation, all costs, charges and expenses whatsoever payable or paid, suffered or incurred by the Bank in respect of or in relation to or arising out of the obligations undertaken under the BGs (collectively, the "Defaulted Amounts -- BGs") and until such payment by the Borrower, the same shall unless otherwise agreed to by the Bank, be deemed to be on demand loans to the Borrower carrying interest at the Default Interest rate as specified in the Final Application form or any amendment thereto on and from the date of payment by the Bank, with monthly rests. The Bank shall be entitled, at its sole discretion, without any further consent from the Borrower, to debit any of the Account at the concerned branches of the Bank, with the amount of any payments the Bank is required to make / makes under or in respect of the BGs, as also all interest, commission, charges and other monies payable by the Borrower in respect of the BGs.

### 4. ADDITIONAL PROVISIONS

The Borrower further agrees, confirms and undertakes as follows :

(i) the Borrower shall indemnify the Bank and keep the Bank indemnified against all actions, proceedings, claims, demands, duties, penalties, taxes, losses, damages, actions, costs, charges and expenses (including costs between attorney and client) and other liabilities whatsoever which may be brought or made against or sustained or incurred by the Bank (and whether paid by the Bank or not) or which the Bank may become liable under or in respect of the BGs;

(ii) the Bank may in its sole and absolute discretion and without reference to the Borrower and without the Bank being required to ascertain whether or not there was any breach on the part of the Borrower of the Transaction Documents / contracts underlying the BGs and without the Bank being required to go into the validity thereof or otherwise and notwithstanding any directions to the contrary given by the Borrower or any other person on the ground of a dispute as to the liability of the Borrower / the Bank or otherwise, admit or compromise and pay or submit to arbitration or dispute or resist any claim or demand made against the Bank under or in respect of such BGs, and the indemnities of the Borrower contained in the Transaction Documents shall continue to be available to the Bank in respect of any action or payment which the Bank may take or make;

(iii) the Borrower shall (unless otherwise agreed to by the Bank):

(a) duly and punctually observe, perform and comply with all the covenants, obligations and conditions of all the Transaction Documents underlying the BGs including due payment and discharge of all its payment obligations under such Transaction Documents on the due dates;

(b) not create or permit to subsist, any encumbrance of any nature whatsoever over all or any part of the underlying Transaction Documents or its rights thereunder;

(c) not amend or agree to amend or grant waiver of any of the provisions of the underlying Transaction Documents

(d) the BGs will be issued by the Bank only as per the provisions of applicable laws and regulations including those laid down by RBI;

(e) the Bank shall issue BGs only in a format acceptable to the Bank;

(f) if for any reason whatsoever the liability of the Bank extends beyond the validity period specified in the BGs or if the Bank is prevented by any action initiated by the Borrower or otherwise from making payment of part or whole of the guaranteed amounts to the beneficiary of the BGs, the Borrower shall be liable to pay commission also for the

period for which the Bank remains liable under the BGs and / or the period for which the payment of the guaranteed amount / discharge from the guaranteed obligations has been delayed;

(g) the Borrower shall provide / deposit immediately on demand and without demur, additional acceptable security to the Bank and / or sufficient amounts by way of 100% cash margin on the outstanding amounts of the BGs, which in the Bank's opinion are likely to be invoked due to non / inadequate fulfillment of obligation, in particular of performance undertaken under the BGs. The Borrower shall accept the Bank's judgement on the likelihood of guarantee obligation being unfulfilled, as final and binding;

(i) in the event of the interest rate on the principal amount of the financial assistances guaranteed by the Bank increasing for any reason whatsoever beyond the percentage specified in the underlying Transaction Documents and consequentially the liability and obligation of the Bank under the BGs increasing, the Borrower shall indemnify and keep indemnified the Bank to the extent of additional interest liability paid in such form as may be determined by the Bank.

#### Product Schedule - Overdraft Facilities

If the Facility is in the nature of Overdraft Facilities, the following terms and conditions will apply in addition; in the event of inconsistency between the terms given in this Clause and the other provisions, the provisions of this clause shall prevail for such Facility:

(a) Definitions

"Account" shall have the meaning ascribed to it in Section (c) hereof.

"Limits" shall have the meaning ascribed to it in Section (b) hereof.

(b)(i) The Borrower/s agrees to avail from the Bank and the Bank agrees to provide / agreed to provide to the Borrower/s overdraft facilities (the "Overdraft Facilities") upto sums in the aggregate not exceeding amounts specified in the Application Form(s) (the "Limits") on the terms and conditions contained in the Application Form(s) and the other Transaction Documents. The amounts upto which the Borrower/s can draw under the Overdraft Facilities shall not, at any one time, exceed the Limits. All outstanding amounts of interest, commission, discount, exchange, service charges and other costs, charges and monies in respect of the Facilities, whether debited to the Account or not, shall also be included in determining the availability of the Limits.

(ii) The Bank may, at it's sole discretion and on such terms and conditions as the Bank may deem fit, agree to the Borrower/s request for enhancement or decrease in the Limits.

(iii) The Bank may, grant / extend to the Borrower/s the Overdraft Facilities, in part or whole, from any one or more branch(es) / office(s) of the Bank, subject to the Borrower/s complying with the provisions of the Standard Terms and the other Transaction Documents and such conditions as may be stipulated by the Bank from time to time.

(c) The Borrower/s shall, if so required by the Bank, open current account or other account(s) (the "Account", which expression shall mean any or each of such account(s), as the context may permit or require) at the branch / office of the Bank as is specified in the Application Form(s) or such other branch / office as may be intimated to the Borrower/s by the Bank from time to time, for availing the Overdraft Facilities upto the Limits.

(d) (i) Subject to the terms and conditions of the Facility, the Overdraft Facilities may be drawn out of the Account from time to time / disbursed in instalments by means of cheques / pay orders / authorisations; (ii) The maximum amount of drawals which the Borrower/s can make under the Overdraft Facilities by any of the modes specified herein, or otherwise shall be restricted to the amount of the Limits; (iii) The aforesaid drawals shall be utilised by the Borrower/s exclusively for the Purpose.

(e) (i) In the event any monies are remaining due and payable by the Borrower/s to the Bank, whether under the Application Form(s) and/or the other Transaction Documents or otherwise, the Bank may, at it's sole discretion, reduce the availability of the amounts of the Limits and / or adjust such monies against the available Limits and all such adjustments shall be treated as drawals by the Borrower/s.

(ii) The Borrower/s shall at all times confine the drawals out of the Overdraft Facilities within the Limits. In the event of excess drawals by the Borrower/s, the Borrower/s shall repay all such excess drawings on demand unless otherwise specified by the Bank. Till repayment of such excess drawings, the excess drawn amounts shall carry interest at the further interest rate specified in the Application Form(s), plus applicable interest tax or other statutory levy. All the provisions of the Standard Terms and the other Transaction Documents and all securities created, if any, pursuant to the Facility will extend to cover such excess drawings.

(f) Unless otherwise stipulated in any of the Transaction Documents, all monies payable by the Borrower/s to the Bank in relation to the Overdraft Facilities shall be paid into the Account through which the Borrower/s was allowed the operation of the Overdraft Facilities or to such other account(s) as the Bank may notify to the Borrower/s or by

cash, telegraphic, telex or mail transfer or by cheque/bank draft drawn in favour of the Bank on a scheduled bank and shall be so paid as to enable the Bank to realise, at par, the amount on or before the relative Due Date. Credit for all payments by cheque/bank draft will be given only on realisation or on the relative Due Date, whichever is later.

(g) The Transaction Documents shall be operative for the balance from time to time due by the Borrower to the Bank in the Account relating to the Overdraft Facilities and such Account shall not be considered as closed by reason of such Account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit and the Transaction Documents will continue to be operative and unaffected until such Overdraft Facilities are terminated and all monies in respect thereof are repaid in full to the Bank.