



SHIVALIK

Shivalik Small Finance Bank

(A Scheduled Commercial Bank)

Vehicle Loan | Commercial Vehicle Loan



LOAN AGREEMENT

Customer Name : _____

Loan Account No. : _____

Key Facts Statement

Vehicle Loan | Commercial Vehicle Loan | Electric Commercial Vehicle Loan

1	Loan Amount	(In Figures) Rs. (In Words) Rs.	
2	Loan Term		
3	Interest type (Fixed or Floating)	Fixed	
4	(a) Interest Chargeable (In case of Floating Rate Loans)	Not Applicable	
	(b) Interest Chargeable (In Case of Fixed Rate Loans)	_____ % p.a.	
5	Date of Reset of Interest	Not Applicable	
6	Mode of communication of changes in interest rates	SMS / Email	
7	Fee Payable		
	a. On application	Charge Type	Amount
		Processing Fee	NIL
		Stamp Paper Charges	As per Actuals
		Insurance Premium	NIL
		Other Charges	
	b. During the term of loan	Charge Type	Amount
		Duplicate Statement Charges	Rs.100/- + GST
		Bounce Charge	Rs.600/- + GST
		Bank's Notice Charges	Rs.100/- + GST per notice
		Legal Notice Charges	As per Actuals
		Recovery Charges	As per Actuals
		Amendment Charges	0.25% of outstanding amount subject to

			maximum of Rs.5000/- + GST
		Part-Prepayment Charges	2% of the Advance Paid amount + GST
	c. On foreclosure	I. Up to 1 year - 4% of Outstanding Amount + GST II. Between 1 to 3 years - 3% of Outstanding Amount + GST III. After 3 years - 2% of Outstanding + GST	
	d. Fee Refundable if loan not sanctioned / disbursed	NIL	
	e. Conversion Charges for switching from floating to fixed interest and vice versa	Not Applicable	
	f. Penalty for delayed payments	2% per month on overdue amount	
8	EMI Payable	EMI Amount -	
		EMI Start Date - 05- \ll MM \gg - \ll YYYY \gg	
		EMI Due Date - 5 th of every month	
9	Details of Security or Collateral Obtained		
10	Date on which annual outstanding balance statement will be issued	On Demand by the Borrower	

Date: _____

To
The Manager,
Shivalik Small Finance Bank Limited,
Branch: _____
Branch Address: _____

Dear Sir,

Sub: Disbursement of my loan amount: A/c No. - _____

I/ We hereby request you to please disburse my loan amount for Rs. _____ by debiting my Term Loan A/c No. _____ and transfer these funds to my SB/ CA/ OO A/c No. _____ with your Bank.

(OR)

I/ We hereby request you to please disburse my loan amount for Rs. _____ by debiting my Term Loan A/c No. _____ and transfer these funds through NEFT/ RTGS as per below given details:

Bank Name : _____
Branch : _____
Account No. : _____
IFS code : _____
Name of Account Holder : _____
Type of Account : _____

(OR)

I/ We hereby request you to please disburse my loan amount for Rs. _____ by debiting my Term Loan A/c No. _____ and issue a Demand Draft/ Pay-order as per below given details:

In favour of : _____
Payable at : _____

I shall utilize the loan amount for the purpose stated in the loan application dated _____

Borrower's Name & Signature:

(Borrower 1)

(Borrower 2)

(Borrower 3)

(Borrower 4)

Name:
Date :
Place :

AGREEMENT OF VEHICLE HYPOTHECATION

This Agreement of Vehicle Hypothecation is made at _____(place) on this _____ day of _____ 20____.

- 1. _____ son/daughter/wife of Shri _____
- 2. _____ son/daughter/wife of Shri _____
- 3. _____ son/daughter/wife of Shri _____
- 4. _____ son/daughter/wife of Shri _____

hereinafter called the "Borrower" of the First Part.

OR

Shri / Smt. _____
Indian inhabitant carrying on business as sole proprietor under the name and style of M/s _____

hereinafter called the "Borrower" of the First Part.

OR

- 1) _____
- 2) _____
- 3) _____
- 4) _____

All above partner's are Indian Inhabitant carrying on Business in partnership in the firm name and style of M/s _____

hereinafter called the "Borrower" of the First Part.

Or

M/s _____
a company within the meaning of the Companies Act, 2013 having its Registered Office at _____
_____(through Shri/Ms. _____),
_____(designation), as authorized vide its Board Resolution dated _____
hereinafter called the "Borrower" of the First Part.

Or

hereinafter called the "Borrower" of the First Part.

AND

SHIVALIK SMALL FINANCE BANK LIMITED, a scheduled commercial Bank incorporated under the (Indian) Companies Act, 2013 (CIN: U65900DL2020PLC366027) and Banking Company within the meaning of Banking Regulation Act,1949 with its registered office at 501, Salcon Aurum Jasola District Centre, New Delhi 110025 and having its branches/correspondents inter alia at the place mentioned at the end of this agreement (herein after referred to as "Bank") of the Second Part.

"The expression "Borrower" shall, unless repugnant to the meaning or context thereof would mean and include their legal heirs, executors, permitted assigns, administrators, Official receivers, successors in business, title, etc., as the case may be"

"The expression "Bank" shall, unless repugnant to the meaning or context thereof mean and include their successors and assigns."

WHEREAS

- (i) The Borrower has requested Bank to grant to the Borrower certain credit facilities for the purchase of some new/used equipment's / machinery, vehicles along with the accessories (hereinafter called as "Assets") for his daily operational need in the ordinary course of transportation/construction business, particulars whereof are given in the Schedule hereto and which hereinafter referred to as "said credit facilities";
- (ii) One of the conditions stipulated by the Bank for sanction of the said credit facilities, is that the Borrower shall cause to be hypothecated to the Bank the assets belonging to the Borrower and /or to any third persons known to the borrower and acceptable to Bank and execute in favour of Bank an Agreement being these presents, to record, *inter alia*, the terms and conditions of the said sanction.
- (iii) In consideration of the Bank having agreed to sanction the said credit facilities the Borrower hereby executes these presents:

NOW THIS AGREEMENT WITNESSES AND THE BORROWER HEREBY AGREES AND UNDERTAKES AS FOLLOWS:

1.1 LOAN AMOUNT, INTEREST AND REPAYMENT:

Subject to the other terms and conditions herein contained, the Bank shall grant to the Borrower the said credit facilities particulars whereof are given in the Schedule I hereto,

- 1.2** It is agreed by and between the parties that, where the credit facility is being availed for purchase of New/used asset, the credit facility amount shall be disbursed by the Bank directly to the owner/ seller of the asset or to the dealer and such disbursement shall be deemed to be disbursement to the Borrower, and where the credit facility is being availed against asset owned by the Borrower, the amount of the loan shall be disbursed by the Bank to the Borrower.

- 1.3** (A) The Borrower shall, pay interest on the outstanding balance of the said credit facilities at the rate specified in the schedule III hereto with monthly rest or such other rests as may be decided by the Bank from time to time subject to the applicable directives issued by the Reserve Bank of India, if any.

(B) The Borrower shall, in addition to interest, pay or reimburse to Bank, as the case may be, interest tax and any other tax or levy as may be levied on or in respect of the interest payment under these presents.

(C) The Borrower shall on or before the date of the first draw down/disbursal of the said facilities pay to Bank non refundable annual service charges / processing fees at the rate mentioned in the Schedule III hereto.

(D) Notwithstanding anything to the contrary herein contained, the Bank shall be entitled to increase / decrease the rate of interest after giving prior notice to the Borrower, subject to such increase / decrease not being contrary to the directives, if any, issued by the Reserve Bank of India from time to time and no further consent or concurrence of the Borrower shall be required in respect thereof.

(E) In the event of any benefit/ loss being caused as a consequence of the FIR variation, the same would not affect the aforesaid Monthly Installments and the Borrower shall be provided the benefit/ compensate for the loss, at the end of the tenure of the Loan, provided that if as a consequence of any extension of the tenure of the Loan as a consequence of the FIR variation, the maximum tenure as per policy is likely to be exceeded, the Bank shall make appropriate changes in the last installment of the loan.

- 1.4** The Borrower agrees that the said credit facilities shall be repayable on demand and that Bank, at any time, in its discretion, recall the said credit facilities by giving to the Borrower seven clear working days notice in writing. However, for the sake of convenience, the Loan amount and the interest thereon shall be repaid in equaled monthly installments (EMI) as per the details stated in the schedule III. It is however specified that this repayment schedule is without prejudice to Bank's aforesaid right to call in the entire credit facility and to be paid on demand the said entire credit facility along with all other dues in respect thereof or arising in pursuance thereof.
- 1.5** The first installment shall be payable by the first of the month immediately following the month of disbursement and subsequent installments respectively shall be paid by the first of each succeeding month or as specified in schedule III. Strict compliance with the repayment scheme is an essential condition for the grant of this credit facility.
- 1.6** In the event of the Borrower committing a default in the payment of sum due hereunder, whether by way of repayment of the outstanding balance of the said credit facilities or by way of payment of interest or any other payment due and payable by the Borrower or the Borrower committing any breach or default of any other condition of this Agreement or under any other instrument in respect of the said credit facilities, the Borrower shall, in respect of the outstanding amount and in respect of interest or other amount in default, pay additional interest at the rate specified in Schedule III, from the date of default till the date of payment. The borrower expressly agrees that the rate of such additional interest is a fair estimate of the loss likely to be suffered by the Bank by reason of such delay/ default on the part of the Borrower. The payment of additional interest shall not absolve the Borrower of other obligations in respect of such default or affect any of the other rights of the Bank in respect of the default. It is expressly specified that the above is in addition to and Bank expressly reserves all other rights that may accrue to Bank on any default by the Borrower. In addition, and without prejudice to what is stated above, the Borrower shall also be liable for all costs, charges and expenses which Bank may pay or incur in any way resulting from the foregoing defaults and from exercise of the Bank remedies including expense incurred or repossession or storage or sale or disposal of the hypothecated assets and legal costs on full indemnity basis thereof all of which are hereinafter collectively referred to as the "balance due to Bank".

1.7 POSTDATED CHEQUES:

The Borrower has agreed to issue post dated cheques for the repayment of the credit facilities. The Borrower is aware that any dishonour of a cheque issued by the Borrower would make the Borrower liable to pay a flat charge as specified in the schedule III hereto for each such act of dishonour in addition to continuing to be liable to Bank for the amount of such dishonoured cheque. It is expressly specified and agreed that the levy of such charge is without prejudice to all other rights of Bank under the law. whether; under Negotiable Instruments Act, the Indian Penal Code or otherwise

howsoever. It is also further agreed and understood that non-presentation of the cheques or any of them by the Bank for any reason whatsoever, shall not in any manner affect the liability of the Borrower. If any or more than one or all of the post dated cheque/s delivered to the Bank by the Borrower pursuant to the terms of clause 1.7 is /are lost, destroyed or misplaced while in the custody of the Bank, or become non encashable due to death, insolvency, lunacy, termination of authority or otherwise of the signatory or any or more of the signatories (if more than one) or the liquidation of the Drawee bank or any moratorium of the drawee bank. or requires replacement for any reason whatsoever in the discretion of Bank, then in that event, the Borrower shall within three working days of receipt of such intimation from the Bank substitute / replace any such cheques with fresh cheque(s) payable on the same day and for the same amount as the previous cheque which is being substituted.

1.8 The Borrower may also repay the credit facility through any of the following modes:

- a) Electronic Clearance Service (ECS), or
- b) Standing instructions (SI)

The Borrower undertakes that his consent to participate in the ECS / SI mode for payment of the EMI's shall not be revoked during the tenure of this agreement except with the approval of the Bank. In case the Borrower revokes his consent to participate in the ECS/SI mode, it may be presumed that the same has been done to cheat Bank and therefore, will make the borrower liable for criminal action under the laws applicable for the time being in force.

1.9 The Borrower agrees, that notwithstanding any specific instructions issued by the Borrower:

- (a)** Bank will have absolute discretion to appropriate any payment received from Borrower first towards compensation / interest in respect of the overdue amount and the balance, if any towards the overdue amount under this agreement;
- (b)** Bank will have absolute discretion to appropriate any payments received from the Borrower against this Agreement in respect of dues under any other agreements with the Bank;
- (c)** Bank will have absolute discretion to appropriate the deposits if any, received from the Borrower against the outstanding balance, compensation or any other dues under this Agreement or in respect of dues under any other agreements with the Bank.

1.10 All repayments to be made under this agreement by the Borrower shall be made at the place specified in the schedule III hereto,

1.11 In case, where credit facility is granted for multiple assets, It is specifically understood and agreed by the Borrower that Bank will for its accounting purposes be reflecting / subdividing the aforesaid credit facility into separate sub-accounts corresponding in number to the number of assets financed. It is further agreed that any payment made by the Borrower to Bank shall be apportioned by Bank proportionately in each of the said account. Notwithstanding above, the Bank shall be entitled at its discretion to appropriate any payment received from the borrower (either in part or in full) against any such sub-account. Such apportionment shall in no way affect the hypothecation of all the assets to Bank as security for the credit facility availed and it is hereby clarified that settlement of one sub-account will not release the assets charged as security unless the dues of the borrower to Bank are cleared in full.

1.12 The borrower hereby executes and gives to the Bank Demand Promissory Note in respect of various amounts payable under the agreement and further agrees that Bank shall be entitled to negotiate the said promissory note/s and/or sue upon the same.

2. REPRESENTATION BY THE BORROWER :

2.1 The Borrower hereby declares, represents and warrants that :

a) He/ She /It is aware that the Bank is granting the said credit facilities on the basis of the loan application made by him /them/ her/it for the purchase of the said assets and on the faith of the representations made by the Borrower and believing the same to be true.

b) That all the necessary approvals for availing of the said facilities have been obtained and that the Borrower will at all times till the amounts due to Bank are repaid in full against the said credit facilities, keep all such permissions valid and subsisting.

c) The officer(s) of the Borrower executing this agreement and the documents executed in pursuance hereof, is/are duly and properly in office and full authorised to execute the same.

d) This agreement and the documents to be executed in pursuance hereof, when executed and delivered, will constitute valid and binding obligations of the Borrower:

e) No corporate action, or any steps have been taken or legal proceedings been initiated or threatened against the Borrower for its winding up, dissolution, administration, reorganization or for appointment of receiver, administrator of the Borrower or all or any of its assets or undertaking.

f) As of the date of this agreement, there is no litigation, proceedings or disputes pending or threatened against the Borrower, the adverse determination of which might substantially, affect the Borrower's ability to repay the credit facilities as described in the schedule I or have a materially adverse effect on the financial condition of the Borrower.

g) The execution and delivery of this Agreement and the performance of its obligations hereunder does not:

1) Contravene any applicable law, statute or regulation or any judgment or decree to which the Borrower is subject,

2) Conflict or result in any breach of any covenants, conditions and stipulations under any existing agreement, to which the Borrower is a party.

3) Conflict or contravene any provision of the Memorandum and Articles of Association of the Borrower;

h) There has been no material adverse change in the financial condition of the Borrower, nor has any event, which is prejudicial to the interest of the Bank taken place since the date of latest audited financial statements of the Borrower which is likely to materially and/or adversely affect the liability of the Borrower to perform all or any of the obligations under this agreement.

i) The Borrower shall be exclusively responsible for getting the delivery of the assets from the seller / manufacturer / dealer. The Bank shall not be liable for delay and delivery / disbursement, any demurrage cost or the quality / condition/ fitness of the asset. The borrower absolves the Bank from any liability in respect of the above and shall not withhold payment of stipulated EMIs on the ground that the asset has not been delivered.

2.2 The representations and warranties in clause 2.1 above shall be deemed to be repeated by the Borrower on and as of each day from the date of this agreement until all the moneys due or owing hereunder by the Borrower to Bank have been repaid in full as if made with reference to the fact and circumstances existing on such day,

3 TERMS OF HYPOTHECATION:

3.1 In consideration of Bank having agreed to sanction the said credit facilities, the Borrower hereby hypothecates to, and charges in favour of Bank as and by way of a first and exclusive charge thereon, the assets described in general terms in the schedule II hereto (which are hereinafter collectively referred to as the ("hypothecated assets")) for the payment to the Bank if all monies at any time due and payable by the Borrower to the Bank in respect of the said credit facilities, including the outstanding balance of the said credit facilities, as also the monies due on all Bills of Exchange, promissory notes or other negotiable instruments which Bank may have discounted or become interested in as also all interest, costs, charges and expenses (including legal cost on full indemnity basis which the Bank may

pay or incur in any way in connection with the said credit facilities or the said hypothecated assets or the re-possession or storage or sale or disposal thereof) all of which are hereinafter collectively referred to as "the balance due to the Bank " Any additions, improvements or attachments to the said hypothecated assets whether made and carried out by the borrower or otherwise and whether at the cost of the Borrower or otherwise and whether with or without the approval of Bank shall be deemed to constitute and be part of the hypothecated assets and shall be subject to the terms and conditions of the agreement in the same manner and to the complete and total extent as the hypothecated asset prior to such addition / improvement or attachment.

- 3.2** The hypothecation shall be deemed to take place immediately on signing of this agreement. In the event the asset is treated as "Motor Vehicle" or vehicle under the provisions of the Motor Vehicle Act, 1998, the Borrower shall get an endorsement on the registration certificate that vehicle(s) is/are hypothecated to Bank.
- 3.3** The Borrower further agrees that the hypothecated assets shall also be security for (a) all other monies that may be due and payable by the "Borrower to Bank on any account whatsoever, whether present or future, including the liability of the Borrower as surety or co-obligator either singly or along with any other person and (b) the credit facility / facilities to be granted / continued to the group companies / associate of the Borrower as declared.
- 3.4** The Borrower agrees with and undertakes to the Bank that the Bank shall have an exclusive charge over the hypothecated assets and the Borrower shall not create in any manner any interest in hypothecated assets or any of them in favour of any other person or body, except with the prior written consent of the Bank. The Charge / security created by the borrower under this agreement shall continue and remain in force till such time all other dues under this agreement and in respect of all other loan / facility obtained / to be obtained by the Borrower from Bank are fully discharged and the Bank will issue a certificate of discharge of the security created under this agreement. The liability of the Borrower shall not be affected, impaired or discharged, by the winding up (Voluntary or otherwise) or by any merger or amalgamation, reconstruction takeover of the management, dissolution or nationalization (as the case may be) of the Borrower. The Borrower covenants that the security provided by him shall remain valid for the balance due to Bank or for any other financial benefits obtained by the borrower from the Bank.
- 3.5** The Borrower undertakes to further secure the said credit facilities and create such further security and execute such other documents as may be required by the Bank from time to time in regard to the said credit facilities. Wherever applicable, the Borrower undertakes to register the charge created in favour of Bank by virtue of this Agreement, with the Register of Companies and produce a copy of such charge registration certificate to Bank for its records.
- 3.6** The Borrower/Co-Borrower shall declare the details of legal heirs and the properties which have not been charged to the Bank as security for financial assistance granted as set out in Schedule IV.
- 3.7** The Borrower hereby declares that all the present hypothecated assets are the absolute property of and in the sole ownership of and at the sole disposal of, the Borrower and, otherwise than as set out in this Agreement, are free from any charge or encumbrance of any nature whatsoever and that the future hypothecated asset shall be likewise the sole unencumbered, absolute and disposable property of the Borrower,
- 3.8** (i) The Borrower shall pay all rents, taxes outgoings and other charges in respect of the garages and other premises in which the hypothecated assets are stored or may be kept. The Borrower shall also ensure that such garages and other premises are fully insured to the extent of full market value thereof against loss or damage from fire, arson, civil commotion, riot and such other risks as Bank may direct. The Borrower shall duly and punctually pay all the premia on such policies as and when due and shall produce to Bank for inspection the original receipts and furnish duly certified copies thereof for Bank's record. The Borrower shall ensure that such policies are kept alive during the subsistence of this security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled. The Borrower shall assign to Bank every such insurance policy and shall pay to Bank all proceeds of any policy received by the Borrower.

(ii) In the event of the Borrower failing in its obligation aforesaid, Bank may at its discretion, pay such rents and outgoing and insure the premises or garages and the Borrower hereby undertakes to reimburse Bank all monies so paid by Bank for the purpose. The reimbursement shall be made on demand by the Bank and in default of such payment the Bank shall be at liberty to debit the amount so paid to the account of the Borrower with the Bank and such amount shall thereafter carry interest at the rate specified in the schedule hereto.

3.9 (a) The borrower shall keep the hypothecated assets fully and comprehensively insured from time to time against all risks e.g. accident, fire, arson, lightning, riot, civil commotion, war, theft, pilferage, third party liabilities and such other risks as may be stipulated by the Bank from time to time to the extent of full market value thereof. The insurance policy(ies) shall be assigned in favour of the Bank to effectively transfer all rights and all possible claims, that may arise during currency of the security, vesting in that policy(ies) from the borrower to the Bank. The borrower shall promptly handover to the Bank all such assigned policies/cover notes in original year after year and shall duly and punctually pay all premia on such policies and when due and shall produce to the bank for inspection original receipts and furnish duly certified copies thereof for Bank's record. The Borrower shall ensure that all such policies of insurance are kept alive during the subsistence of these security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled or rendered void by the Insurer company.

(b) On default of the Borrower to keep the hypothecated assets insured as aforesaid, the Bank may, at its sole discretion, but without any obligation to do so, effect insurance of the hypothecated assets and / or pay the premia in respect thereof and the Borrower hereby undertakes to reimburse the Bank on demand all the amounts paid / incurred by the Bank in doing so and on default of payment of such amounts by the Borrower, the Bank shall be at liberty to debit such amounts to the account(s) of the Borrower with the Bank and such amounts shall carry interest at the same rates as provided in the Schedule III hereto.

(c) If any amount is received from the insurance company under any policy or policies of insurance, the amount so realised may, at the sole discretion of the Bank, be utilized in replacement of the lost or damaged hypothecated assets or in liquidation of the liability of the Borrower to the Bank under these presents.

3.10 The Borrower shall keep and maintain the hypothecated assets in good and fully working condition at the costs and risk of the Borrower in all respects and the Borrower shall be liable for any loss or damage cause to the hypothecated assets for any reason whatsoever, including theft, damage by weather and deterioration in quality.

3.11 The Borrower shall not encumber or transfer the hypothecated assets in any manner whatsoever without the express consent in writing from the Bank. The Borrower undertakes to get the registration certificates of each asset endorsed in the name of the Bank to further express the fact that the assets stand hypothecated to the Bank. Any direct or indirect transfer of the hypothecated assets would be deemed to be criminal breach of trust and a case of cheating entitling the Bank to inter-alia adopt criminal proceedings against the Borrower.

3.12 The Borrower shall, as on the last day of each month, furnish to the Bank statements regarding hypothecated assets' physical condition and their location where they are parked or whether they are in transit and if so, the details thereof. Such statements shall be delivered to the Bank within 10 working days from the date to which the statement relates and shall be authenticated by an authorised official of the Borrower. The statements shall be in such form as may be prescribed by the Bank from time to time and supported by such evidence as may be required by the Bank, in addition, the Borrower shall furnish to the Bank, as and when required by the Bank to do so, such information regarding hypothecated assets and about the Borrower's business, as may be required by the Bank.

3.13 If so required by the Bank, the Borrower shall cause to display at all places whereby any of the hypothecated assets may be kept, sign boards prominently indicating that the hypothecated assets are hypothecated to the Bank; the sign boards to be displayed in such manner and form as may be required by the bank.

3.14 (a) The borrower hereby declares that all the hypothecated assets are free from any encumbrance whatsoever and past encumbrances, in any, have been fully cleared to the complete satisfaction of the person or entity in whose

favour such encumbrance was created. The Borrower further declares that the said hypothecated assets and all documents related thereto shall be held in trust by the Borrower for the Bank in the capacity of a Bailee.

(b) The Borrower shall ensure that no charge or encumbrance is created on the hypothecated assets or any of them and that nothing is done that may adversely affect the security created hereby on the hypothecated assets in favour of the Bank.

3.15 (a) The Borrower covenants with the Bank that the Borrower shall apprise the Bank of the occurrence or likely occurrence of any event which is likely to affect the capacity of the Borrower to repay the said loan or interest thereon or likely to affect the security for the said credit facilities or the obligations of the Borrower to the Bank in respect of said credit facilities.

(b) Without prejudice to the generality of the provisions contained in the preceding sub-clauses, the Borrower hereby agrees with, and undertakes to, the Bank that the Borrower shall forthwith inform the Bank on the occurrence or likely occurrence of inter-alia, any of the following events, namely:

i) Institution of any legal proceedings against the Borrower by any person(s) making a claim for money against the Borrower, or enforcing against the Borrower, any guarantee given by the Borrower.

ii) any damage to the hypothecated assets for any reason whatsoever.

iii) any distress or proceedings of court being taken against the hypothecated assets.

iv) the occurrence of any event which is likely to affect the Borrower's business, including industrial action, steps taken by authorities to recover statutory dues from the Borrower.

v) if there is any change in constitution or ownership of the borrower which in the opinion of the Bank, is adverse.

3.16 (A) The borrower hereby agrees and appoints the Bank and its officers and authorised representatives to be its duly constituted attorneys for all of the following purposes, namely:

(i) To enter any place where any of the hypothecated assets may be and inspect and value them.

(ii) To take possession of all or any of the hypothecated assets and/or the documents relating thereto from whosoever they may be in possession of including the contents therein and to dispose them of immediately if they are dangerous and/or perishable in nature.

(iii) To sell any of the hypothecated assets for and on behalf of the Borrower and at the risk of the Borrower in all respects and to realise full or any part or portion of the sale proceeds thereof.

(iv) To take all such steps as may be required for the recovery of any of the hypothecated assets, including the institution of any claim, suit, petition, or other legal process and the signing and execution of all necessary *vakalatnamas* and documents for the said purpose and the compromising or settlement of such suit or action.

(v) Generally to perform, execute or cause to be performed or executed all acts, deeds, matters, things and documents in all matters arising under or out of or concerning or touching these presents as the Borrower could himself perform or execute.

(vi) And for the better or more effectually doing, effecting and performing the several matters and things aforesaid to appoint from time to time or generally such other persons, bodies, companies, organizations or agencies as the bank may think fit as its substitute or substitutes at pleasure and to appoint other or others in his or their place.

(B) The Borrower agrees that the above powers may be exercised without any prior notice to the Borrower and further agrees to ratify and confirm all that the Bank or any substitute(s) appointed by the Bank may lawfully do or cause to be done in exercise of the aforesaid powers.

(C) The Borrower further agrees to give all assistance to the Bank and its officers and authorised representatives for the purpose of exercising any of the powers hereinabove set out, including endorsing of the document(s), signing of paper(s), and doing all such things as may be necessary to enable the Bank and its officers all the powers hereby conferred.

(D) The Borrower further agrees that the aforesaid powers have been granted for valuable consideration and all such shall be irrevocable till such time as any amounts remain due, owing or payable under or in respect of or in pursuance of the said credit facilities and/or these presents.

3.17 The Borrower further agrees that the Bank shall not be required to make or continue advances on the said account otherwise than at its sole discretion and that it will be entitled to stop any further disbursements and/or close the said account at any point of time without prior notice to the Borrower.

3.18 The Borrower undertakes to get the endorsement of hypothecation done in the registration certificate book from the concerned road transport office. The Borrower, if the borrower is a company, further undertakes to get the charge herein registered with the Registrar of Companies under Section 125 of The Companies Act, 1956.

3.19 The Borrower shall produce the Assets before the Bank whenever called upon by the bank to do so, to enable the bank to inspect the said Asset(s). The Borrower further agrees that the Bank and its authorised representatives, servants and agents shall be entitled to inspect the Asset(s) at all times and shall for the purpose thereof be entitled without any notice, to enter upon the premises, godown(s), or garages where the hypothecated assets are lying or kept or parked, and if necessary, to break open any such place of storage.

3.20 The Borrower is aware and expressly agrees that the breach of any of the terms of this agreement would amount to a criminal offence and that the Bank shall be entitled to criminally prosecute for such breach as the case may be.

4. EVENTS OF DEFAULT

The Borrower shall be deemed to have committed an act of default on the happening of, inter-alia, any one or more of the following events, namely:

- (a) Failure to make payment to the Bank of any part of the loan amount on demand or any other charge due and payable under these presents or in respect of said credit facilities.
- (b) The Borrower misusing said credit facilities or any part thereof for any purpose other than for which said credit facilities have been sanctioned.
- (c) The Borrower making in any manner whatsoever an interest of any person(s) in hypothecated assets or part(s) thereof.
- (d) The representations made by the Borrower being found to be untrue in any manner, whatsoever.
- (e) The Borrower committing a breach of any of the terms, covenants and conditions herein contained.
- (f) The Borrower committing a default in respect of any of the other obligations of the Borrower towards the Bank either under this Agreement or under any other agreement(s) and/or under the law or otherwise howsoever.
- (g) The Borrower fails or neglects to observe, perform, adhere to and comply with or commits a breach of any of the terms and conditions of this agreement or of any other agreement entered into by the Borrower with the Bank and on the Borrower part to be observed, performed, adhered to or complied with.
- (h) The Borrower committing a breach of any other agreement entered into by the Borrower with any other bank or financial institution or non-banking finance company or any other person, body or entity.
- (i) Any of the group companies, associates of the Borrower defaulting in the terms of any of the agreements entered into between any of them and the Bank.

- (j) The hypothecated assets or any part or portion thereof, being confiscated, or attached or taken into custody by any authority or becoming the subject of any legal proceeding.
- (k) An insolvency notice or a winding up notice is served on the Borrower or a receiver is appointed or attachment is levied on any of the borrower's properties or assets, or ;
- (l) The hypothecated assets or any part or parts thereof are detained, damaged, endangered or bodily injury is caused to any third party by an accident involving the hypothecated assets or otherwise, or
- (m) The hypothecated assets or any part(s) thereof are stolen or is/are a total loss in the eyes of the Bank.
- (n) Whenever in the absolute discretion of the Bank there is a likelihood of the due money not being repaid and/or the hypothecated assets or any part(s) thereof are likely to be transferred to defeat the security and the due amounts of the Bank.
- (o) On the Bank being informed or in the event that the information comes to the Bank that there is a change in management and/or constitution of the Borrower or that there is likely to be a change in management and/or constitution of the Borrower and such change in the opinion of the Bank would adversely affect its interests.
- (p) There existing any other circumstances which in the sole opinion of the Bank would adversely affect its interests.
- (q) The Borrower using hypothecated assets for transporting goods or in a manner not permitted by law.
- (r) The Borrower fails to produce the hypothecated assets for inspection or verification or making valuation by the Bank or its officers, auditors, technical experts, management consultant, valuers or any other person authorised for the purpose by the Bank.
- (s) Any instruction given by the Borrower for stop payment of the post dated cheques, for any reason whatsoever including instructions for revocation of instructions under ECS or SI mode of payment.
- (t) If without approval of the Bank the asset and/or other security provided under this agreement are sold/transferred/disposed of, charged, encumbered, alienated etc.; or there is reasonable apprehension that the Borrower or Guarantor are likely to sell or transfer etc., the assets or any other security.
- (u) Any defect/infirmity in the guarantee provided by the Guarantor which renders the guarantee ineffective / inoperative.

5. BANK'S RIGHTS ON DEFAULT

In the event of the Borrower committing any act of default as aforesaid, then notwithstanding anything contained contrary herein, the Bank shall be entitled at its absolute discretion to, inter-alia:

- a) Call upon the Borrower to pay forthwith the outstanding balance of the said credit facilities together with up to date interest and all sums payable by the borrower under this agreement.
- b) **Repossession of the Assets** : To take possession of the hypothecated assets from where so ever it may be and remove the hypothecated assets including all accessories, bodywork and fittings and for the said purpose it shall be lawful for the Bank or its authorised representatives, servants, officers and agents forthwith or at any time and without notice to the Borrower to enter upon the premises, or factory, office, garage or godown where the hypothecated assets shall be lying or kept and to take possession or recover or receive the same and if necessary, to break open such place of storage; the Bank will be within its rights to use a tow-van to carry away the assets. Any damage to the land, building, factory, godown, office, garage, or other equipments/assets kept there, caused by removal of the hypothecated assets shall be the sole responsibility of the borrower. The Bank shall be authorised to cause any operations involving the asset to be stopped in order to take possession of the hypothecated asset. The Bank shall not be liable for any damage or loss caused to the Borrower on account of the same.
- c) To take all necessary steps as fully and effectively as the Borrower could take to dispose of the said hypothecated assets at the risks and cost of the Borrower in all respects and it shall be lawful for the Bank forthwith or at any time thereafter and without notice to the Borrower to enter upon the premises, or factory, office, garage or godown where the hypothecated assets shall be lying or kept and to take possession or recover or receive the same and if necessary, to break open such place of storage and the Bank shall be entitled to appoint any officer or officers of the Bank or any person authorised on its behalf as Receiver of the said hypothecated assets or any part or parts

thereof and with power to do all such things as fully and effectively as the Borrower could do and/or to sell by public auction or private contract or otherwise dispose off the said hypothecated assets including any material thereon at the risks and costs of the Borrower in all respects with power to rescind or vary any contract of sale without being bound or answerable for any loss or diminution in value and without being bound to exercise any of the powers hereby conferred or being liable for any loss occasioned by the exercise of any such power and to give effectual receipts and discharge for the purchase money and to do all such other acts and things for completing the sale as Bank or the Receiver, shall think proper. The Borrower shall not raise any objection to the regularity of any sale or other disposition made by the Bank nor shall the Bank be responsible for any loss that may arise from any act or default on the part of any broker or auctioneer or other person or body employed by the Bank or the Receiver for the purpose of the sale or disposition. Provided that the Borrower expressly agrees that the Bank in reselling the assets shall only be obliged to offer the same to persons whose business is that of dealing in assets of the same type and description as that of the asset being resold and that in the event that such asset has no resale value, a certificate to that effect from such dealer will be binding on the Borrower.

- d) In the event of there being as surplus available of the net proceeds of such sale after payment in full of the balance due to the bank, it shall be lawful for the Bank to retain and apply the said surplus together with any money or monies belonging to the Borrower for the time being in the hands of the Bank in or under whatever accounts as far as the same shall extend against in or towards liquidation of all moneys that shall be or may become due from the Borrower or from any of its group companies / associates / directors / promoters to the Bank whether solely or jointly with any other person or persons, firm or company by way of loans, discounted bills, letters of credit, guarantee, charges, or any other debts or liability including bill, notes, credits or other obligations current though not then due and payable or other demands legal or equitable which the Bank may have against the Borrower or which by law of set off or mutual credit would in any case admit along with interest thereon from the date on which any or all advance(s) in respect thereof shall have been made at the rate or respective rates at which the same have been so advanced.

6. Bank's Right to Sell / Assign / Delegate / Appoint:

- 6.1 It is agreed that the customer introduction, the credit rating and all other acts / steps / duties as are necessary for the Bank to monitor the said credit facilities or any part or portion thereof and/or to recover the amount due to the Bank or any part or portion thereof shall / or may be carried out by such other person, company, body, organization or agency as may from time to time be appointed by the Bank in respect thereof and that the Bank will at all times be entitled to share with such other person/ company/body /organization or agency as may from time to time be appointed by the bank in respect thereof and that the Bank will at all times be entitled to share with such other person, company, body, organization or agency that may thus be appointed by the Bank, all documents, statements of accounts and other information of whatsoever nature pertaining to the Borrower or the said credit facilities.
- 6.2 The Bank reserves the right to assign / sell / securitize the loan, in part or the whole, with or without underlying security, if any, and transfer its right, title and interest herein to any third party and the Borrower expressly agrees that the Bank is not required to either make a reference to the Borrower or obtain the Borrower's consent or intimate or put the Borrower to notice of such assignment / sale / securitization. The Borrower shall be bound to accept any such assignment / sale / securitization / transfer and accept such other purchaser / assignee / transferee as the creditor exclusively or as a joint creditor with the Bank, or as a creditor exclusively with the right to the Bank to continue to exercise all powers hereunder on behalf of any such purchaser / assignee / transferee. Any cost in this behalf whether on account of such sale / assignment or transfer or enforcement of rights and recovery of outstanding dues shall be to the account of the Borrower.

7. Collections:

The Borrower expressly recognises and accepts that the Bank shall, without prejudice to perform such activities either itself or through its officers or servants, be absolutely entitled and have full power or authority to appoint one or more third parties of Bank's choice and to transfer or delegate to such third parties the right and authority to collect on behalf of the Bank all unpaid amounts and to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto including attending the office or residence of the Borrower, receiving the amounts due, and generally performing all lawful acts as the third party may consider appropriate for such purposes.

8. Bank's Lien and Set off Preserved

Notwithstanding anything herein contained, the Bank shall have a lien over all the assets of the Borrower in Bank's control and a right of set off against all monies due from the Bank to the Borrower and to combine all accounts of the Borrower for recovery of Bank's dues hereunder. The Bank has agreed to enter into this transaction on the condition that the borrower agrees to the right of the Bank to set off against the amount lying in deposit / in account / in possession with the Bank for the recovery of Bank's dues hereunder.

9. These Present Not to Affect Other Rights of the Bank Against Borrower:

- a. The Borrower hereby expressly agrees that nothing herein contained shall operate to prejudice the rights and remedies of the bank in respect of any other obligations of the Borrower to the Bank or prejudice or affect any general or particular lien to which the Bank is by law or otherwise entitled to or operate to prejudice the Bank's rights or remedies in respect of any present or future security, guarantee or obligation given to the bank by any such person for any such indebtedness or liability of the Borrower.
- b. The Borrower further agrees that in addition to and without prejudice to any other right or lien enjoyed by the Bank, the Bank will further be entitled at any point of time and without notice to the Borrower to combine or consolidate all or any of the Borrower's account/s (including any fixed deposits) held with the Bank and all the credits and liabilities therein and set off or transfer any sum standing to the credit of anyone or more of such accounts in or towards satisfaction of any of the Borrower's liabilities to the bank on any account whatsoever, whether such liabilities are actual or contingent, primary or collateral and whether joint or several.

10. These Presents to be Continuing Security

The Borrower agrees that this Agreement and the security hereby created shall operate as a continuing security for all the obligations/ facilities of the Borrower in respect of the said credit facilities, notwithstanding the existence of a credit balance in the said account or any partial payments or fluctuation of accounts.

11. Indemnity

The Borrower does hereby indemnify and agrees to keep the Bank indemnified from time to time and at all times hereafter against all claims, costs, losses and expenses that may be incurred by the Bank by reason of any act or default on the part of the borrower in respect of the said credit facilities and/or the hypothecated assets and / or the terms herein.

12. Reimbursement

The Borrower shall reimburse the Bank all costs and expenses incurred by the Bank in the negotiation, preparation, stamping, execution, administration and enforcement of this Agreement as also any security documents and/or any rights of the Bank hereunder or there under.

13. Notice / Communication

- a) Any notice to be given to the Borrower by the Bank shall be effective and deemed to have been duly and sufficiently served on the Borrower, three days after the same have been delivered to the Post Office / couriers

properly addressed to the Borrower at the address given in the end of this agreement and if delivered to have been duly served as on date of such delivery.

b) A certificate by an Officer of the Bank that the notice was posted or served, as the case may be, shall be final, conclusive and binding on the Borrower.

c) Unless otherwise advised in writing by the Bank to the Borrower, any notice to be given by the Borrower to the Bank shall be effective and deemed to have been duly and sufficiently on the Bank if delivered at its branch address herein stated.

14. Bank's Statements of Accounts to be Accepted by the Borrower

The Borrower hereby agrees to accept as conclusive proof of the correctness of any sum claimed by the Bank to be due from the Borrower in respect of said credit facilities a statement of account computer-generated from the books of accounts of the Bank and signed by an officer of the Bank without production of any voucher, documents or other papers.

15. Execution and Stamp Duty

a) This Agreement shall be executed in single; the original whereof shall be kept by the Bank and photocopy of the same has been given to the Borrower, the receipt whereof the Borrower does hereby admit and acknowledge.

b) The Borrower shall pay and bear the stamp duty on this Agreement as also any penalty or other levies thereon.

16. Waiver / Forbearance:

Any waiver or forbearance or delay on the part of the Bank to insist upon the performance of any terms and conditions of this Agreement or to exercise any right or privilege conferred in this Agreement, or to demand any penalties resulting from any breach of any of the terms and conditions of this Agreement shall not be construed as a waiver on the part of the Bank of any of the terms or conditions of this Agreement or of any of its rights or privileges or of any other default on the part of the Borrower and all original rights and powers of the Bank under this Agreement will remain in full force, notwithstanding any such forbearance or delay.

17. Schedules to form part of this Agreement

The Schedules hereto shall be deemed to be part of this Agreement as though the provisions thereof were set out herein in the extensor.

18. Partial Invalidity

If at any time provisions is hereof or becomes illegal, invalid or unenforceable under the law, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of other provisions shall in any way be affected or impaired thereby.

19. Marginal notes and Head Notes

The marginal notes and Head notes hereto are for the purpose of convenience and reference only.

20. Sharing Information:

a. The Borrower authorize the bank to disclose from time to time any information relating to the loan to any parent/subsidiary affiliate/associate entity of bank and to third party engaged by bank, for purposes such as marketing of services and product

b. The Borrower understand that as a pre-condition relating to the grant of the loan/advances other fund or non-fund-based facility to me/us bank requires his/her/there consent for the disclosure by the bank of, information and data relating to him/her/them of the credit facility availed of/to be availed by him/her/them in relation thereto and default if any committed by him/her/them in discharge thereof

c. Accordingly, the Borrower hereby agree and give consent for the disclosure by the bank of all or any such.

a. Information and data relating to him/her/them

b. The information or data relating to any credit facility availed of /to be availed by him/her/them and

- c. Default if any committed by him/her/them and discharge of his/her/their obligation
- d. As bank may deem appropriate and necessary to disclose and furnish to credit information bureau (INDIA) Limited and any other agency authorized in this behalf by RBI.
- e. The Borrower declare that the information and data furnished by his/her/their to bank are true and correct
- f. The Borrower undertake that
 - a. The credit Information bureau (India) limited and any other agency so authorized may use process the said information and data disclosed by bank in this manner as deemed fit by them and
 - b. the Credit Information Bureau (India) Limited and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them to bank/financial institution and other credit grantors or registered users as may be specified by the RBI in this behalf.

21. Governing law.

This agreement shall be constructed and governed by the law of India and without taking into consideration its principles of conflict of laws.

22. Arbitration

In case of any dispute or difference between the parties hereto arising out of or in connection with this agreement shall be amicably resolved by the parties. In the event the parties face to resolve such disputes amicably, such disputes or differences shall be referred to the arbitration of a sole arbitrator to be appointed by bank in accordance with the Arbitration and conciliation act 1996 and rules framed thereunder. The venue for conducting the arbitration proceeding shall be at NOIDA, Uttar Pradesh, India. The language of the arbitration shall be English or Hindi. The decision of the Arbitrator shall be final and binding on the parties

The cost of such arbitration shall be borne by the losing party or parties or otherwise as determined in the arbitration award. If a party is required to enforce an arbitration award by legal action of any kind, the party against whom such legal action is taken shall pay all reasonable cost and expenses and attorney fees, including any cost of additional litigation or arbitration taken by the party seeking to enforce the award.

23. Jurisdiction

The parties hereto expressly agree that all disputes arising out of and /or relating to this agreement including any collateral document shall be subject to the exclusive jurisdiction of competent court in the city where the lending office of the bank is situated alone.

- 24. In case of death of borrower/co-borrower/Guarantor, the surviving parties in the Loan structure as per the Sanction letter and family members of the deceased are responsible to inform the bank within 15 days of death and get the names of legal heirs/another Guarantor added in the loan agreement. Failing this they will have no right to stake any claim in any legal proceedings related to the recovery of this loan.

25. "SMA / NPA Classification

The classification of borrower accounts as SMA as well as NPA shall be done as part of the day-end process for the relevant date. The date of SMA/NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

SMA / NPA Categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue
SMA-0	Up to 30 days
SMA-1	More than 30 days and up to 60 days
SMA-2	More than 60 days and up to 90 days
NPA	More than 90 days

Example: If due date of a loan account is 31st March, and full dues are not received before this date, the date of overdue shall be 31st March. If it continues to remain overdue, then this account shall get tagged as SMA-1 on 30th

April, i.e., upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be 30th April. Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 on 30th May, and if continues to remain overdue further, it shall get classified as NPA on 29th June.”

26. Acceptance

I/We have read / have been explained the entire agreement and have been filled in my/our presence.

I/We am/are aware that Bank shall agree to become a party to this agreement only after satisfying itself with regard to all conditions and details filled by me/us in the loan application made by me/us.



The parties have executed these presents at the Place and on the day, month and year set out hereinafter.

	PARTY OF THE FIRST PART: BORROWER	
1.	Name _____ Address _____ _____	_____ Signature of the Borrower
2.	Name _____ Address _____ _____	_____ Signature of the Borrower
3.	Name _____ Address _____ _____	_____ Signature of the Borrower
	PARTY OF THE SECOND PART: BANK	
	Name _____ Address/Regd./Office _____ _____	_____ Authorized Signatory

Schedule I and II attached to and forming part of the Loan cum Hypothecation agreement describing particulars of the amount payable

Schedule – I

Description of Credit Facilities

Loan of Rs _____ (Rupees
 (_____)
 _____) disbursed in favour of manufacturer / dealer / seller as per the instructions of the Borrower, repayable in (_____) monthly installments as mentioned in Schedule III secured by hypothecation of the Assets as mentioned in Schedule – II

Schedule – II

Description of Hypothecated Asset

S. No.	Asset	Registration no.	Engine No.	Chassis No.
1.				
2.				
3.				
4.				
5.				
6.				
7.				

Schedule III attached to and forming part of the Loan cum Hypothecation agreement describing particulars of the amount payable.

1. Loan Amount sanctioned : _____
2. Fixed Rate of interest : _____%p.a. to be computed with monthly rests on the outstanding balance
- or
- Floating Interest Rate (FIR) : EBLR [_____ %] + Credit Risk Premium [_____ %]
 The Borrower agrees to pay interest at [_____ %] as Credit Risk Premium over External Benchmark based Lending Rate (EBLR), presently being. [_____ %], (hereinafter referred to as the "Benchmark Rate") i.e [_____ %] per annum with monthly rests.
3. Annual service / Processing charge : _____
4. Prepayment Charges : As per Sanction Letter and Bank's Charges schedule
5. Additional Penal Interest : As per Sanction Letter and Bank's Charges schedule
6. Present value of Hypothecated asset : _____
7. Flat charge for Cheque dishonor : As per Sanction Letter and Bank's Charges schedule
8. Total Amount Payable : _____

EQUATED MONTHLY INSTALLMENT SCHEDULE (EMI)

EMI Due Date/Month	EMI Amount	Total EMI/Tenure

SCHEDULE IV

Declaration

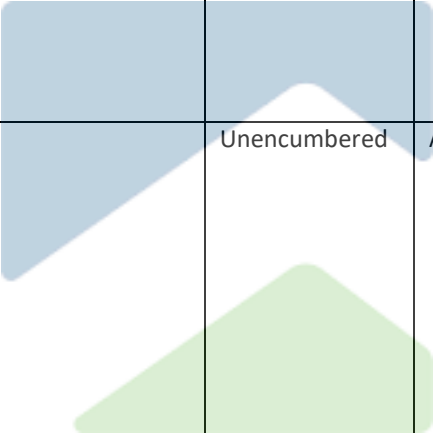
I/We agree, declare, undertake, assure and confirm that the list of my/our legal heirs with their full names and addresses as given hereunder is to enable the Bank to take steps for recovery of its dues from any of them in the event of my demise or of any of us/during the pendency of such credit facilities extended by the Bank to me/us.

Name of the Borrower	Names of Legal Heirs	His/Her age	Relationship with the Borrower/ Guarantor	Addresses

I/We also give hereunder particulars of Movable/ Immovable properties belonging to me/us which have not been charged to the Bank as security for financial assistance granted to me/us.

Particulars	Particulars of Movable/ Immovable Properties With full Address (where Situate)	in whose name the property stands	Present encumbrance	Whether leasehold /ownership/ absolute rights	Present Market value
			Unencumbered	Absolute Rights	

			Unencumbered	Absolute Rights	
			Unencumbered	Absolute Rights	
			Unencumbered	Absolute rights	



IN WITNESS WHEREOF the parties hereto have signed the day, month and year first above written.

Name of the Borrower(s)

Signature of the Borrower(s)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Shivalik Small Finance Bank Limited

Authorized signatory.

AGREEMENT OF GUARANTEE

This Agreement of Guarantee (this "Agreement") is made at _____ (Place) on this _____ day of _____ 20____.

Between

- 1. Shri/Ms _____ son / daughter/wife of Shri _____
- 2. Shri/Ms _____ son / daughter/wife of Shri _____
- 3. Shri/Ms _____ son / daughter/wife of Shri _____
- 4. Shri/Ms _____ son / daughter/wife of Shri _____
- 5. Shri/Ms _____ son / daughter/wife of Shri _____
- 6. Shri/Ms _____ son / daughter/wife of Shri _____
- 7. Shri/Ms _____ son / daughter/wife of Shri _____
- 8. Shri/Ms _____ son / daughter/wife of Shri _____
- 9. Shri/Ms _____ son / daughter/wife of Shri _____
- 10. Shri/Ms _____ son / daughter/wife of Shri _____
- 11. Shri/Ms _____ son / daughter/wife of Shri _____
- 12. Shri/Ms _____ son / daughter/wife of Shri _____

(hereinafter called the "Guarantor(s)" which term shall, wherever the context so permits, mean and include his/her/their heirs, administrators, executors, successors, and permitted assigns) of the first part

Or

M/s _____

a company within the meaning of the Companies Act, 2013 having its Registered Office at _____

(through Shri/Ms. _____,

(designation), as authorized vide its Board Resolution dated _____)

(hereinafter called the "Guarantor(s)" which term shall, wherever the context so permits, mean and include his/her/their heirs, administrators, executors, successors, and permitted assigns) of the first part;

Or

(hereinafter called the "Guarantor(s)" which term shall, wherever the context so permits, mean and include his/her/their heirs, administrators, executors, successors, and permitted assigns) of the first part;

AND

Shivalik Small Finance Bank Limited, a company incorporated under the (Indian) Companies Act, 2013 (CIN: U65900DL2020PLC366027) and Banking Company within the meaning of Banking Regulation Act,1949 with its registered office at 501, Salcon Aurum Jasola District Centre, New Delhi 110025, India and, inter alia, a Branch Office at

_____ (Hereinafter called the "Bank", which term shall, wherever the context so permits, mean and include its successors and assigns) of the second Part.

WHEREAS

A. At the request of the Guarantor(s) the Bank has agreed to allow/ continue/enhance an accommodation by way of _____ (the "Facilities"/"Limits") to Mr/Mrs/M/s _____

(Hereinafter called the "Borrower") on the terms and conditions contained in the loaning and security documents executed by the Borrower; and

B. The Guarantor(s) has/have agreed to guarantee due payment of the amount which at any time may be due to the Bank in respect of the said Facilities / Limits of Rs _____ (Rupees _____)

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1 That in consideration of the Bank allowing/continuing/ enhancing at the request of the Borrower(s) an accommodation of Rs. _____ (In words _____)

(the "Facilities"/ "Limits") to the Borrower at its Branch Office at _____ on the terms and conditions contained in the loaning and security documents executed by the Borrower on dt. _____, the Guarantor(s) hereby agree(s) with the Bank as under:-

2 The Guarantor(s) hereby guarantee(s) jointly and severally to pay to the Bank after demand in writing all principal, interest, cost, charges and expenses due and which may at any time become due to the Bank from the Borrower in the accounts opened in respect of the said Facilities/Limits (hereinafter called the "said accounts") down to the date of payment and also all losses or damages, costs, charges and expenses and in the case of legal costs, as between attorney and client occasioned to the Bank by reason of omission, failure or default temporary or otherwise in such payment by the Borrower or by the Guarantor(s) or any of them including costs (as aforesaid) of enforcement or attempted enforcement of payment by suit or otherwise or by sale or realization or attempted realization or sale of any security for the said indebtedness or otherwise howsoever or any costs (which costs to be as aforesaid) charges or expenses which the Bank may incur by being joined in any proceeding to which the Bank may be made or may make itself party either with or without others in connection with any such securities or any proceeds thereof.

3 The Guarantor(s) hereby declare(s) that this guarantee shall be a continuing guarantee and remain operative in respect of each of the said Limits severally and may be enforced as such in the discretion of the Bank, as if each of the Facilities / Limits had been separately guaranteed by him/her/them. This guarantee shall not be considered as cancelled or in any way affected by the fact that at any time or from time to time any of the said accounts may show no liability against the Borrower or may even show credit in his/her/their favour but shall continue and remain in operation in respect of all subsequent transactions till the accounts are closed. This guarantee is in addition to, and shall not be affected by, nor merge with, and may be enforced despite the existence, invalidity or unenforceability of, any other guarantee, undertaking or security interest now or subsequently held by the Bank. For the avoidance of doubt, it is hereby clarified that this guarantee will extend to the ultimate balance of all sums payable by the Borrower(s) under the Facilities/Limits, until it is released in accordance with the terms hereof, regardless of any intermediate payment or discharge of the whole or any part of the debt due and payable by the Borrower.

4 Representations and Warranties

(a) The Guarantor(s) make(s) the representations and warranties to the Bank as set out in Schedule I (*Representations and Warranties of the Guarantor*) of this Agreement.

Each of the representations and warranties set out in Clause 4(a) above, read with Schedule I (*Representations and Warranties of the Guarantor*), is deemed to be made by the Guarantor with reference to the facts and circumstances existing on the date of this

Agreement and shall be deemed to be repeated on each day until all outstanding amounts under the loan and security documents executed by the Borrower in connection with the Facilities/Limits have been duly repaid by the Borrower to the Bank.

5 Covenants and Undertakings

The Guarantor(s) agree(s) and undertake(s) to abide by the covenants and undertakings as set out in Part A (*General Covenants*) and Part B (*Information Covenants*) of Schedule II (*Covenants and Undertakings of the Guarantor*) of this Agreement at all times until all outstanding amounts under the loan and security documents in connection with the Facilities/Limits executed by the Borrower have been duly repaid by the Borrower to the Bank.

- 6 The Guarantor(s) hereby consent(s) to the Bank making any variance, without reference or notice to him / her / them, that it may think fit in the terms of contract, including any change in rate of interest charged to the accounts of the Borrower. The Guarantor(s) further consent(s) to the Bank accepting additional collateral security of any kind, determining, enlarging or varying any credit to the Borrower or making any composition with him or promising to give him time or not to sue him and the Bank parting with any security it may hold for the guaranteed debt. The Guarantor(s) also agree(s) that he/she/they shall not be discharged from his/her/their liability by the Bank releasing the Borrower or by any action or omission of the Bank, the legal consequences of which may discharge the Borrower or by any act of the Bank which would, but for this present provision, be inconsistent with his/her/their rights as Guarantor(s) or by the Bank's omission to do any act which, but for this present provision, the Bank's duty to the Guarantor(s) would have required the Bank to do. Though as between the borrower and the guarantor(s) he /she/they is/are guarantor(s) only, the guarantor(s) agree(s) that as between the Bank and the Guarantor(s) he/she/they is/are debtor(s) jointly with the borrower and accordingly he/she/they shall not as such be entitled to claim the benefit of legal consequences of any variation in the terms of the contract and to any of the rights conferred on a Guarantor by Sections 133, 134, 135, 139 and 141 of the Indian Contract Act. The Guarantor(s) further agree(s) that the acceptance by the Bank of any irregular payments or any amount short of the amount of agreed installment/s. whether made before or on due dates or thereafter by the Borrower, shall not discharge the Guarantor(s) from his/her/their liability and such acceptance will not amount to or create any new or fresh contract. The Guarantor(s) further agree(s) that the Bank shall be under no obligation to notify him/her/they, any default committed by the Borrower at any time or from time to time.
- 7 The Guarantor shall declare the details of legal heirs and the properties which have not been charged to the Bank as security for financial assistance granted as set out in Schedule III.
- 8 The Guarantor(s) hereby consent(s) to the Bank renewing from time to time the said Facilities /Limits of Rs. _____ allowed to the Borrower, obtaining fresh documents from him/her/they, closing the existing accounts, opening new accounts, or transferring the same or part thereof to any branch of the Bank. Notwithstanding this, the Guarantor(s) agree(s) and declare(s) that he/she/they shall remain liable to the Bank for any indebtedness of the Borrower under the renewed facilities / limits and the terms and conditions of this Agreement shall apply and govern his/her/their liability under the renewed facilities / limits.
- 9 The Guarantor(s) further declare(s) that all dividends, compositions or payment received by the Bank from the Guarantor(s) or any other persons liable to him/her/they or his/her/ their representative shall be taken and applied as payment in gross and the Guarantor(s) and his/her/their representatives shall have no right to claim the benefit of any such dividends, compositions or payment until full amount of all claims of the Bank against the Borrower and his/her/their representatives which are covered by this Agreement shall have been paid.
- 10 No advance, overdraft or other credit facilities that the Bank may give to the Borrower beyond the Limits mentioned in para-No.1 above or obtaining of any other guarantee or security from the Borrower shall determine, prejudice or lessen the liability of the Guarantor(s) hereunder.
- 11 The Guarantor(s) further agree(s) that any accounts settled between the Bank and the Borrower, or the balance admitted or confirmed by him or his authorized agents as due on the said accounts to the Bank will be conclusive and shall not be disputed or questioned by the Guarantor(s).
- 12 The Guarantor(s) authorize(s) and appoint(s) each of the Borrower or any person duly authorized by them as agent to confirm the balance due and acknowledge liability on his/her/their behalf as guarantor(s) from time to time. The Guarantor(s) further agree(s) that any acknowledgement of liability made by the Borrower, or any person duly authorized by him/her/they to operate the accounts or any of the co-Guarantors as agent on behalf of the Guarantor(s) shall be binding on him/her/they for giving fresh start of limitation and also for admission of liability against him/her/they.

13 Cross Default

- (a) In addition to the events of default (howsoever described) set out in the loan documents and security documents executed in relation to the Facilities/Limits by the Borrower, the following will constitute an event of default under the Facilities/Limits:
- (i) Any financial indebtedness of the Guarantor is not paid when due nor within any originally applicable grace period.
 - (ii) Any financial indebtedness of the Guarantor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual or potential default, event of default, or any similar event (however described) after the expiry of any originally applicable grace period.
 - (iii) Any commitment for any financial indebtedness of the Guarantor is cancelled or suspended as a result of any actual or potential default, event of default, or any similar event (however described) after the expiry of any originally applicable grace period.
 - (iv) Any creditor of the Guarantor becomes entitled to declare any financial indebtedness of the Guarantor due and payable prior to its specified maturity as a result of any actual or potential default, event of default, or any similar event (however described) after the expiry of any originally applicable grace period.
 - (v) Any security over any assets of the Guarantor is enforced by the holder of such security, or any analogous procedure or step is taken in any jurisdiction.
 - (vi) There is an event of default or potential event of default (howsoever described) or other similar condition or event which with the lapse of time or giving of notice may become an event of default under one or more agreements or instruments relating to any indebtedness granted by any person to the Guarantor.
 - (vii) Each of the events described in Clause 12(a) above shall constitute an event of default (howsoever described) under each of the loan and security documents executed in relation to the Facilities / Limits by the Borrower.
- 14** In case the Bank sells the hypothecated, pledged or mortgaged security/ies held in the loan accounts, the Guarantor(s) agree(s) that the Bank may sell the said securities without giving any notice of such sale to the Guarantor(s). The Guarantor(s), agree(s) that he/she/they will not question the sale or the sale price in any manner or on any ground whatsoever.
- 15** In case the amount guaranteed by the Guarantor(s) is paid by the Borrower(s) to the Bank and the Bank in consequence discharges the Guarantor(s) from all liabilities under this Agreement, but it is subsequently determined by a Court of Law or otherwise that the said payment was a fraudulent preference and the Bank is made to refund the said amount, the Guarantor(s)' liability to the Bank on the basis of this Agreement shall revive to the same extent and in the same manner as if such payment had never been made.
- 16** The Guarantor(s) also agree(s) that the Bank may enforce the guarantee without enforcing, selling, or realizing any of the securities kept under lien, hypothecated, pledged or mortgaged with it, notwithstanding that any bills or other instruments given by the Borrower in the said accounts may be in circulation for collection and outstanding.
- 17** The guarantee hereby given shall not be determinable or taken as satisfied by the Guarantor(s) except on the terms of his/her/their making full payment up to the limit of his/her/their guarantee for any then outstanding liabilities or obligations on the said account. The guarantee shall not be affected by his/her/their death or insanity until the Bank shall have received formal authentic notice in writing thereof.
- 18** In case of death of borrower/co-borrower/Guarantor, the surviving parties in the Loan structure as per Sanction letter and family members of the deceased are responsible to inform the bank within 15 days of death and get the names of legal heirs/another Guarantor added in the loan agreement. Failing this they will have no right to stake any claim in any legal proceedings related to the recovery of this loan.
- 19** If the Guarantor(s) has/have or shall hereafter take any security from the Borrower in respect of his/her/their liability under this Agreement, the Guarantor(s) will not prove in the liquidation of the Borrower in respect thereof to the prejudice of the Bank and such security shall stand as security and shall be forth with deposited with the Bank.
- 20** Set off - Without prejudice to what is stated hereinabove, the Guarantor hereby expressly agrees and confirms that in the event of the Borrower(s) failing to pay the amount outstanding under the Loan or any other loan/ facility, in addition to any general or similar lien to which the Bank or any of its subsidiary/affiliates may be entitled by law, the Bank shall, without prejudice to any of its specific rights under any other Agreements with the Guarantor, at its sole discretion and without notice to the Guarantor, be at liberty to apply any other money or amounts standing to the credit of Borrower in any account in which the Guarantee extended

(including Deposit, Loan, LICs, NSCs, Demat security) of the Borrower (whether singly or jointly with another or others) with the Bank or any of its subsidiary/affiliates in or towards payment of the Dues. The rights of the Bank under this Agreement are in addition to other rights and remedies (including without limitation other rights or set off) which the Bank may have.

In the event of the Guarantor ceasing to be in the service of the employer by retirement, resignation, death or otherwise, it shall be lawful for the Bank to demand the Guarantor's employer to make available to the Bank the arrears of salary/bonus/gratuity/provident fund or any other terminal benefits or any other moneys payable by the employer to the Guarantor in liquidation of the loan dues covered by these Presents.

- 21.** The absence or infirmity in the borrowing powers on the part of the Borrower or any irregularity whatsoever in the exercise thereof shall not affect the liability of the Guarantor(s) and any moneys advanced to the Borrower shall be deemed to be due and owing notwithstanding such absence, infirmity or irregularity and this Agreement shall not be affected by any change in the name or constitution of the Borrower. It is further expressly agreed that this Agreement shall remain enforceable against the Guarantor(s) irrespective of the fact whether the contract between the Borrower and the Bank is

enforceable at law or not. It is also expressly agreed that in case the guarantee given by the Guarantor(s) cannot be enforced or becomes unenforceable at law for any reason whatsoever, the guarantee given hereunder be enforced as an indemnity against the Guarantor(s) and he/she/they agree(s) and undertake(s) to indemnify and reimburse the Bank for any loss, damages, costs and other charges which the Bank may have to recover and realize from the Borrower in his/her/their loan accounts with it.

- 22.** Any notice by the Bank in writing under this Agreement or a demand in writing shall be deemed to have been duly given to the Guarantor(s) by sending the same by post addressed to him/her/them at the address herein written and shall be effectual notwithstanding any change of residence or death and notwithstanding the notice thereof to the Bank and such demand shall be deemed to have been received by the Guarantor(s) 24 hours after the posting thereof and shall be sufficient to prove that the letter containing the demand was properly addressed and posted.
- 23.** The Guarantor(s) agree(s) that a copy of account of the Borrower contained in the Bank books of accounts signed by the Manager for the time being of the office at which such accounts shall be kept or any officer of the Bank shall be conclusive evidence against him/her/them of the amount for the time being due to the Bank from the Borrower in any account or other proceedings brought against him/her them upon this Agreement.
- 24.** If any payment to, or any discharge or arrangement is made in whole or in part on the faith of any payment by, the Bank in respect of the Facilities/Limits which is avoided, set-aside or reduced for any reason whatsoever, including without limitation, insolvency, insolvency resolution, bankruptcy or liquidation, breach of fiduciary or statutory duties, the liability of each Guarantor shall continue under this Agreement and the Bank will be entitled to subsequently enforce the guarantee and recover the value of the debt as if the payment, discharge arrangement, avoidance or reduction had not occurred.

25. Liability Unaffected

Each Guarantor's liability under this Agreement will not be discharged, diminished or otherwise affected by any act, omission or circumstance (whether or not known to such Guarantor) which, but for this provision, would discharge it to any extent, including:

- (a) any change in the constitution, ownership or corporate existence or any acquisition, merger or amalgamation of the Borrower or any other person;
- (b) the winding-up, bankruptcy, liquidation, insolvency, insolvency resolution, liquidation, bankruptcy or similar situation or proceeding in respect of the Borrower or any Guarantor or any other person (as applicable);
- (c) any change in the management of the Borrower or any other person or take-over of the management of the Borrower or any other person by any governmental authority or the nationalization of any person or any of its undertakings, pursuant to applicable law;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security, guarantee or undertaking;
- (e) total or partial invalidity or unenforceability of any other transaction document or any provisions thereof or any obligation of the Borrower or any Guarantor or any other person under any transaction document in connection with Facilities/Limits;
- (f) any act or omission by the Bank or any other person in taking up, perfecting or enforcing any security, indemnity, undertaking or guarantee from or against any person or any failure to realise the full value of any security interest;
- (g) any intermediate payment or discharge in whole or any part of the debt.
- (h) the granting of any time or other indulgence, arrangement, compromise, waiver, discharge, release or variation to the Borrower, any Guarantor or any other person under the transaction document in connection with Facilities/Limits.
- (i) any incapacity or lack of power (or any irregularity in the exercise of such powers), authority, unenforceability, illegality, or invalidity of any obligation of any person under any transaction document in connection with Facilities/Limits or any other document or security.
- (j) any amendment (however fundamental) of a transaction document in connection with Facilities/Limits or any other document

or security, guarantee or undertaking.

- (k) any person becoming, or ceasing to be a party with the Bank to any document relating to the Facilities/Limits or becoming a party to any document relating to the Facilities/Limits in place of the Bank, in each case, pursuant to the rights of assignment, charge, novation or other succession or alienation expressly conferred by such document relating to the Facilities/Limits; or
- (l) any dispute between the Borrower, any Guarantor or any other person and the Bank pending before any court, tribunal, arbitrator or any other similar forum.

26. Waiver of Guarantor's Rights

- (a) Until the repayment of the dues by the Borrower in connection with the Facilities/Limits or unless the Bank otherwise directs, no Guarantor will by reason of performance of any of his/her obligations under this Agreement:
 - (i) exercise any rights of subrogation, contribution, indemnity, set-off or counterclaim or any similar rights against the Borrower or any other person; or
 - (ii) participate in any other guarantee or security favouring the Bank in respect of the Facilities/Limits; or
 - (iii) prove in competition to the Bank in the bankruptcy, insolvency, insolvency resolution or winding up of the Borrower; or
 - (iv) claim, rank, prove or vote as a creditor of the Borrower(s) or their estate in competition with the Bank; or
 - (v) be entitled to the rights conferred on sureties, notwithstanding anything contained in the Indian Contract Act, 1872.

(b) If any Guarantor receives any moneys as a result of the exercise of any of the rights mentioned in Clause 24(a) above or in respect of any payment by such Guarantor under this Agreement, then such Guarantor will hold them on trust for the Bank and pay them immediately to the Bank so long as any sums in relation to the debt are outstanding.

27. The Guarantor(s) hereby agree(s) that in case of any default in the repayment of the dues under the Facilities / Limits, including the interest, installment, charges, etc., by the Borrower and / or any default committed by the Guarantor(s) in discharging his/her/their obligations under this Agreement, the Bank and/or Reserve Bank of India will have an unqualified right to disclose or publish the Guarantor(s) names or the names of the Guarantor's/Guarantors' company/firm/unit and its directors/partners/proprietors as defaulter in such manner and through such medium as the Bank and/or Reserve Bank of India in their absolute discretion may deem fit.

28. The guarantor(s) hereby further agree(s) that in case demand / claim is made on him/her/them by the Bank for repayment of the dues under the Facilities/ Limits and the guarantor(s), despite having sufficient means, refuse(s)/neglect(s) in discharging his/her/their obligation under this Agreement, he/she/they will be treated as a wilful defaulter and Bank/RBI will have an unqualified right to declare the name of such guarantor as wilful defaulter and to initiate further action as per Bank/RBI guidelines or applicable law/statute, in respect of wilful defaulters.

29. The Guarantor(s) accept(s) and confirms(s) that as a pre-condition, relating to grant of the loans/advances/other non-fund based credit facilities to *(name of the borrower/s) and furnishing of guarantee in relation thereto, the Bank, requires consent of the guarantor/s of the credit facility granted/to be granted, by the Bank for disclosure of information and data relating to the guarantor/s, any credit facility availed of by the guarantors, obligations assumed by the guarantors, in relation thereto and default, if any, committed in discharge thereof.

Accordingly, the Guarantor(s) hereby give(s) Consent for disclosure by the Bank of all or any such:

- a. The Guarantor authorize the bank to disclose from time to time any information relating to the loan to any parent/subsidiary affiliate/associate entity of bank and to third party engaged by bank, for purposes such as marketing of services and product
- b. The Guarantor understand that as a pre-condition relating to the grant of the loan/advances other fund or non-fund-based facility to me/us bank requires his/her/there consent for the disclosure by the bank of, information and data relating to him/her/them of the credit facility availed of/to be availed by him /her/them in relation thereto and default if any committed by him/her/them in discharge thereof
- c. Accordingly, the Guarantor hereby agree and give consent for the disclosure by the bank of all or any such.
 - I. Information and data relating to him/her/them
 - II. The information or data relating to any credit facility availed of /to be availed by him/her/them and
 - III. Default if any committed by him/her/them and discharge of his/her/them obligation
- d. As bank may deem appropriate and necessary to disclose and furnish to credit information bureau (INDIA) Limited and any other agency authorized in this behalf by RBI.
- e. The Guarantor declare that the information and data furnished by his/her/them to bank are true and correct
- f. The Guarantor undertake that
 - I. The credit Information bureau (India) limited and any other agency so authorized may use process the said information and data disclosed by bank in this manner as deemed fit by them and
 - II. the Credit Information Bureau (India) Limited and any other agency so authorized may furnish for consideration the

processed information and data or products thereof prepared by them to bank/financial institution and other credit grantors or registered users as may be specified by the RBI in this behalf.

- g. The Guarantor hereby further declare that the charges/mortgage in favour of bank by way of first and exclusive charge the asset /property described in the schedule. The Guarantor confirms that the security carries no prior charge/lien and is free from any encumbrances whatsoever The Guarantor hereby declared that Amount of Loan so availed or to be availed shall be used exclusively for the purpose for which the loan is availed or to be availed only.
- h. The Guarantor hereby further declared that no changes/alteration shall be made by any manner whatsoever in the security so tendered for mortgage without prior written permission of the Bank.

The Guarantor(s) agree(s) that approved Credit Information Companies and any other agency so authorized may use and process the said information and data disclosed by the Bank in the manner as deemed fit by them; and furnish, for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions, etc. and other credit grantors or registered users, as may be specified by Reserve Bank of India in this behalf.

*** The expression 'Bank' includes lending institutions for the purpose.**

- 30.** The Guarantor(s) further agree(s) not to induct, on their part, a person, who has been identified as Willful Defaulter by the Bank in terms of the directions/guidelines issued by Reserve Bank of India or the guidelines framed by the Bank, as director on the Board of the Directors of the Guarantor(s). If any person, who is a Willful Defaulter, as hereby referred, is a director on the Board, the Guarantor(s) undertake(s) to get him removed from the Board of the Directors. The Guarantor(s) also agree(s) to make necessary amendments in the Articles of Association of the Guarantor(s) to make the said requirement as a ground for removal of such directors and furnish a copy of the Articles of Association as amended to the Bank. (Applicable in case of corporate Guarantor/s)

- 31.** That the Guarantor hereby gives specific consent to the Bank/ Lender for disclosing / submitting the „financial information' as defined in section 3(13) of the Insolvency and Bankruptcy Code, 2016 („Code' for brief) read with relevant Regulations / Rules framed under the Code, as amended and in force from time to time in respect of the guarantees given, securities created for securing the credit/ financial facilities availed by the borrower from the Bank / Lender from time to time, to any „Information Utility' („IU' for brief) as defined in section 3(21) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by Reserve bank of India to the banks from time to time and hereby specifically agree to promptly authenticate the „financial information submitted by the Bank/ Lender as and when requested by the concerned „IU'.

32. Governing law.

This agreement shall be constructed and governed by the law of India and without taking into consideration its principles of conflict of laws.

33. Arbitration

In case of any dispute or difference between the parties hereto arising out of or in connection with this agreement shall be amicably resolved by the parties. In the event the parties face to resolve such disputes amicably, such disputes or differences shall be referred to the arbitration of a Sole arbitrator to be appointed by the Bank in accordance with the Arbitration and conciliation act 1996 and rules framed thereunder. The venue for conducting the arbitration proceeding shall be at NOIDA, Uttar Pradesh, India. The language of the arbitration shall be English or Hindi. The decision of the Arbitrator shall be final and binding on the parties.

The cost of such arbitration shall be borne by the losing party or parties or otherwise as determined in the arbitration award. If a party is required to enforce an arbitration award by legal action of any kind, the party against whom such legal action is taken shall pay all reasonable cost and expenses and attorney fees, including any cost of additional litigation or arbitration taken by the party seeking to enforce the award.

34. Jurisdiction

The parties hereto expressly agree that all disputes arising out of and /or relating to this agreement including any collateral document shall be subject to the exclusive jurisdiction of competent court in the city where the lending office of the bank is situated alone.

- 35.** That the contents of the Agreement have been read over and translated into _____[name of the language of the borrower/s] vernacular language and borrower/s having understood the contents thereof subscribe(s) to these presents.

36. SMA/NPA CLASSIFICATION

The classification of borrower accounts as SMA as well as NPA shall be done as part of the day-end process for the relevant date. The date of SMA/NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

SMA / NPA Categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue
SMA-0	Up to 30 days
SMA-1	More than 30 days and up to 60 days
SMA-2	More than 60 days and up to 90 days
NPA	More than 90 days

Example: If due date of a loan account is 31st March, and full dues are not received before this date, the date of overdue shall be 31st March. If it continues to remain overdue, then this account shall get tagged as SMA-1 on 30th April, i.e., upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be 30th April. Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 on 30th May, and if continues to remain overdue further, it shall get classified as NPA on 29th June.”



SCHEDULE I
REPRESENTATIONS AND WARRANTIES OF THE GUARANTOR

1. Status

- (a) Where the Guarantor is a company, it is duly incorporated under the provisions of the Companies Act, 2013 and is validly existing under the laws of India.
- (b) Where the Guarantor is a limited liability partnership, it is duly incorporated and registered under the provisions of the Limited Liability Partnership Act, 2008 and validly existing under the laws of India.
- (c) Where the Guarantor is a partnership firm, it is duly incorporated and registered under the provisions of the Indian Partnership Act, 1932 and validly existing under the laws of India.
- (d) The Guarantor has the power to own its assets and carry on its business as it is being conducted.
- (e) Where applicable, the Guarantor, is a natal person of sound mind and eligible to enter into contracts in accordance with the provisions of the Indian Contract Act, 1872.
- (f) The Guarantor has the power to own its assets and carry on its business as it is being conducted.

2. Binding obligations

- (a) Where Guarantor is a corporate entity, sole proprietorship or a limited liability partnership, the obligations expressed to be assumed by the Guarantor under this Agreement are legal, valid, binding and enforceable.
- (b) Where Guarantor is a partnership firm under the Indian Partnership Act, 1932, the obligations expressed to be assumed by the Guarantor under this Agreement constitute legal, valid and binding obligations of each partner of the Guarantor, enforceable against each of the partners of the Guarantor in accordance with its terms.

3. Non-conflict with other obligations

- (a) The entry into and performance by the Guarantor of, and the transactions contemplated by this Agreement, does not and will not conflict with:
 - (i) any applicable law.
 - (ii) its memorandum of association or the articles of association or its registered partnership deed (as applicable); or any agreement or instrument binding upon it or any of its assets.
- (b) No third-party consent is required by the Guarantor for the entry into, or performance of its obligations under this Agreement.

4. Power and authority

The Guarantor has the power and authority to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, and performance and delivery, of this Agreement, and the transactions contemplated hereunder.

5. Validity and admissibility in evidence

All authorisations required or desirable:

- (a) to enable the Guarantor to lawfully enter into, exercise its rights and comply with its obligations in this Agreement.
- (b) to make this Agreement admissible in evidence in India; and
- (c) for the Guarantor to carry on its business, have been obtained or effected and are in full force and effect.

6. No filing or stamp taxes

Under law, other than payment of stamp duty which has already been made and is evidenced on the face of this Agreement, it is not necessary that this Agreement be filed, recorded or enrolled with any court or other authority or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Agreement or the transactions contemplated hereunder.

7. Taxes

- (a) The Guarantor has paid all taxes required to be paid by it under applicable law (except to the extent that such payment is being contested in good faith).
- (b) The Guarantor is not required to make any deduction for or on account of tax from any payment it may make under this Agreement other than as required under the Income Tax Act, 1961.

8. No default

- (a) No default is continuing or might reasonably be expected to result from the entering into or performance by the Guarantor of or under this Agreement.
- (b) No other event or circumstance is outstanding which constitutes an event of default under any other agreement or instrument which is binding on the Guarantor or to which the assets of the Guarantor are subject which might have a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement.

9. Compliance with applicable law

The Guarantor is in compliance with all, and has not breached any, applicable law (including but not limited to any rule, regulation, circular, order, direction of the Reserve Bank of India or the Securities and Exchange Board of India).

10. No misleading information

- (a) Any factual information provided by or on behalf of the Guarantor in connection with this Agreement, including the financial information and data furnished to the Bank, was true, complete and accurate in all respects as at the date it was provided or as at the date (if any) at which it is stated.
- (b) Nothing has occurred or been omitted from the information so provided and no information has been given or withheld that results in the information provided by or on behalf of the Guarantor being untrue or misleading in any respect.

11. No proceedings pending

- (a) No litigation, arbitration, investigative or administrative proceedings of or before any court, arbitral body or agency (including any arising from or relating to environmental law) have been started against (nor any notice in relation thereto has been received by) the Guarantor, which, if adversely determined, could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement.
- (b) The Guarantor has not received any official notice from any governmental authority with respect to a violation and/or failure to comply with any applicable law or requiring them to take or omit any action.

12. No immunity

Neither the Guarantor nor any of the assets of the Guarantor is entitled to immunity under applicable law from suit, execution, attachment or other legal process in India. The entry into this Agreement constitutes, and the exercise of the Guarantor's rights and performance of and compliance with Guarantor's obligations under this Agreement will constitute, private and commercial acts done and performed for private and commercial purposes.

13. Assets and title

The Guarantor has good and marketable title to or is otherwise entitled to use, all assets necessary or desirable for it to carry on its business as it is being or is proposed to be conducted.

14. Solvency

- (a) The Guarantor is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts.
- (b) The Guarantor, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.
- (c) The value of the assets of the Guarantor is more than its liabilities and it has sufficient capital to carry on its business.
- (d) No moratorium has been declared in respect of any indebtedness of the Guarantor.
- (e) No reference, inquiry, step or proceedings under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 dated June 7, 2019 has been made in relation to the Guarantor.
- (f) Neither the Bank nor any other bank or financial institution has declared any advance or investment in the Guarantor, respectively, a "non-performing asset or investment" as defined under the relevant regulations of the Reserve Bank of India.
- (g) The Guarantor has not taken any corporate action and no other steps have been taken or legal proceedings have been started nor has the Guarantor received any notice for any legal proceedings against it for its winding-up, dissolution, administration or reorganization or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its assets or revenues.
- (h) No application has been filed before the National Company Law Tribunal seeking the commencement of an insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 in respect of the Guarantor.

15. Authorised signatories

Each person specified as an authorised signatory of the Guarantor in any documents delivered to the Bank pursuant to this Agreement, is subject to any notice to the contrary delivered to the Bank, authorised to sign all documents and notices on behalf of the Guarantor.

16. Wilful defaulter

- (a) Neither the Guarantor nor any of its respective directors have been identified as a wilful defaulter by the RBI.
- (b) No bank or financial institution has applied to the RBI to declare the Guarantor as a willful defaulter.

SCHEDULE II
CONVENANTS AND UNDERTAKINGS OF THE GUARANTOR

Part A – General Covenants

1. Authorisations
The Guarantor shall promptly:
 - (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
 - (b) supply certified copies to the Bank of, any authorisation required under any law or regulation to enable it to perform its obligations under any this Agreement (including, without limitation, in connection with any payment to be made there under) and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Agreement or otherwise required for carrying on its business.
2. Compliance with laws
The Guarantor shall comply in all respects with applicable law (including any rule, regulation, circular, order, direction of the Reserve Bank of India or Securities and Exchange Board of India to which it may be subject).
3. Disposals
The Guarantor shall not enter into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of any substantial part of its assets where such sale, lease, transfer or disposal might result in a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement.
4. Constitutional documents
Without the prior written consent of the Bank, the Guarantor shall not make any amendment to its constitutional documents or its registered partnership deed (as applicable) which could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement.
5. Arms length dealings
Without prejudice to the generality of its obligations under Paragraph 4 above, in the event the Guarantor enters into any arrangement, agreement or commitment (including any derivative transaction) with any person or pays any fees, commissions or other sums on any account whatsoever to any persons other than in the ordinary course of trading, at arm's length and on normal commercial terms, it shall make all necessary disclosures and filings required to be made in relation thereto under applicable law.
6. Taxes
 - (a) The Guarantor shall pay and discharge all taxes, rates, rents and governmental charges upon the Guarantor and its respective assets before penalties become attached thereto and shall establish adequate reserves for the payment of any taxes, rates, rents and governmental charges becoming due unless such taxes, rates, rent and governmental charges are being contested in good faith by appropriate proceedings.
 - (b) The Guarantor shall make all filings required under applicable laws and regulations (including, without limitation, the obligations to file regular tax returns with any governmental authority).
7. Business
 - (a) The Guarantor shall conduct its business with due diligence and efficiency and in accordance with sound engineering, technical, managerial and financial standards and business practices with qualified and experienced management personnel.
 - (b) The Guarantor shall not make any substantial change to the general nature of its business, as the case may be, from that as actually carried on at the date of this Agreement.
8. Wilful defaulter
If a director of the Guarantor is found to be a wilful defaulter, it shall ensure that such person is removed from the directorship.

Part B – Information Covenants

1. Financial Statements
The Guarantor shall, during currency of the Facilities and this guarantee supply to the Bank, true and correct financial information including any material data relating to it, which affects commercial decision of the Bank to give and or to continue the said limits sanctioned or to be sanctioned to the Borrower.
2. Information: Miscellaneous
The Guarantor shall supply to the Bank:

- (a) promptly, if it has notice of:
 - (i) any information, letter, communication or any other document of which the Guarantor becomes aware or has knowledge of in relation to initiation of a corporate insolvency process (by whatever name called) by any person or any governmental authority or an application made or proposed / threatened to be made by any person (including to any governmental authority (including without limitation, the Reserve Bank of India)) or by any governmental authority (including without limitation, the Reserve Bank of India) in relation thereto; or
 - (ii) any suit, or proceeding which is wholly or partly of a non-monetary nature that has been initiated against it which might, if adversely determined, have a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement; or
 - (iii) if a receiver is appointed in respect of any of its properties or business or undertaking, information in respect thereof;
- (b) promptly and in no event later than 3 (three) business days of the occurrence of such event, the details (in writing) of any litigation, arbitration, investigative or administrative proceedings or labour disputes against the Guarantor which are current, pending or any notice in relation to which has been received by the Borrower and which might, if adversely determined, have a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement.;
- (c) promptly, any information regarding proposed merger, amalgamation or reconstruction of the Guarantor;
- (d) promptly, such further information regarding the financial condition, business and operations of the Guarantor as the Bank may reasonably request;
- (e) promptly, all information relating to any defects which may affect the interests, rights and claims of the Bank adversely, or which might have caused the Bank not to enter into this Agreement;
- (f) promptly all relevant information regarding any change in the nature and conduct of the business of the Guarantor, which could reasonably be expected to result in a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the Guarantor, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the Bank under this Agreement, prior to undertaking such a change in business; and
- (g) promptly, notice of any change in the authorised signatories, signed by one of its directors or its company secretary or partner of the Guarantor (if applicable), whose specimen signature has previously been provided to the Bank, accompanied (where relevant) by a specimen signature of each new signatory;
- (h) promptly upon making any decision by the Guarantor to initiate an insolvency process (by whatever name called) or any discussions by the board of directors or partners of the Guarantor in relation to initiation of an insolvency process (by whatever name called) of the Guarantor.

3. Notification of default

The Guarantor shall notify the Bank of any default in relation to or caused on account of the Guarantor and any event or circumstance which constitutes an event of default (howsoever described) under any other material agreement binding upon it (and in each case, the steps, if any, being taken to remedy it) promptly (and in no event later than 3 (three) business days of the occurrence of such event) upon becoming aware of its occurrence.

4. Books, records and inspection

- (a) The Guarantor shall keep proper books of account as required by applicable law and the business of the Guarantor, as the case may be, and keep the said books of account and all other books, registers and other documents relating to the affairs of the Guarantor at its registered office.
- (b) Upon the request of the Bank, the Guarantor shall provide the Bank and any of its representatives, professional advisers and contractors with access to and permit them to, at the cost of the Guarantor:
 - (i) enter any premises or property at all reasonable times;
 - (ii) examine, inspect and make copies of the books and records of the Guarantor, as the case may be, in each case at reasonable times and upon prior reasonable notice; and
 - (iii) discuss the affairs, finances and accounts of the Guarantor with, and be advised as to the same, by the relevant officers.

5. Know Your Customer' Checks

The Guarantor shall submit to the Bank all information required by the Bank to complete all "know your customer" checks required by applicable law.

In witness whereof the Guarantor(s) and the Bank have set their hands hereunto at the place and on the date as first hereinabove mentioned.

6. Acceptance

I/We have read / have been explained the entire agreement have been filled in my/our presence.

I/We am/are aware that Bank agree to become a party to this agreement only after satisfying itself with regard to all conditions and details filled by me/us in the loan application made by me/us.

GUARANTOR(S)

1. _____

FOR SHIVALIK SMALL FINANCE BANK LIMITED

Name _____

2. _____

Authorized Signatory

Name _____

3. _____

Name _____

4. _____

Name _____

5. _____

Name _____

6. _____

Name _____

7. _____

Name _____

8. _____

Name _____

9. _____

Name _____

10. _____

Name _____

Particulars	Particulars of Movable/Immovable Properties with full Address (where Situate)	in whose name the property stands	Present encumbrance	Whether leasehold /ownership/ absolute rights	Present Market value
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	
			Unencumbered	AbsoluteRights	

GUARANTOR(S)

1. _____

Name _____

2. _____

Name _____

3. _____

Name _____

4. _____

Name _____

5. _____

Name _____

6. _____

Name _____

7. _____

Name _____

8. _____

Name _____

9. _____

Name _____

10. _____

Name _____

FOR SHIVALIK SMALL FINANCE BANK LIMITED

Authorized Signatory

