

**LOAN AND HYPOTHECATION AGREEMENT**

1. This master agreement (“**Agreement**”) is executed between each person named as Borrower and Co-Borrower in the Repayment Schedule, having residence or place of business as the case may be, at the place specified therein (the “**Borrower**”), and De Lage Landen Financial Services India Private Limited, a company in terms of the Companies Act, 2013 having its registered office at 20/F, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, and a branch office in Delhi (“**Lender**”). The Borrower shall also be referred to as “you” or “your” and the Lender shall also be referred to as “us”, “we” or “our”. The Lender and Borrower shall hereinafter be referred to individually as a “**Party**” and collectively as the “**Parties**”. The Lender is making its loan products available to customers under the ‘Escorts Credit’ trade name which has been duly made available to the Lender by Escorts Limited, a company having its registered office at SCO 232, First Floor, Sector 20, Panchkula - 134 109. You have requested us to grant you a loan on the terms and conditions contained in this Agreement. The Parties agree that this Agreement sets out the general terms and conditions, and a binding contract between the Parties shall be established when the Repayment Schedule is signed by the Lender thereby accepting the Borrower’s request (which shall include but is not limited to the Indicative Quotation) for availing a loan from the Lender. The commercial terms contained in the Indicative Quotation signed by the Borrower may undergo a change based on subsequent request(s), offer(s) made by the Borrower, whether oral or written. If the Borrower makes subsequent request(s) to revise the commercial terms, the Lender shall confirm such revised commercial terms with the Borrower, which may take the form of an oral confirmation before finalizing them in the form of Repayment Schedule. In the event of any discrepancy between the Repayment Schedule and the Indicative Quotation or any other document including but not limited to an application form, the Repayment Schedule shall be final and binding on the Parties. Notwithstanding anything to the contrary contained in this Agreement, the Borrower and each Co-Borrower shall be jointly and severally liable to the Lender in respect of the Borrower’s obligations under this Agreement.
2. We agree to grant to you and you agree to borrow from us, amounts up to the limit specified in the Repayment Schedule (“**Facility**”) during an **Availability Period** of six (6) calendar weeks from the (“**Commencement Date**”). Commencement Date means the commencement date of a Loan under the Facility as specified in the Repayment Schedule at the Lender’s discretion, no earlier than the date of the Acceptance Certificate (defined below). “**Equipment**” shall be described in the Repayment Schedule and includes, without limitation, all component parts and accessories, future additions thereto and replacement parts thereof, as well as all software and all service and maintenance contracts in respect thereof. Equipment shall also mean and include all equipment, machinery, tools, component parts and accessories (including future additions thereto and replacement parts thereof as well as all software and all service and maintenance contracts in respect thereof) that are purchased in the future by the Borrower from the proceeds of Loan(s) provided by the Lender) after taking delivery of it from the Equipment manufacturer, vendor, dealer, re-seller or supplier (“**Vendor**”). “**Acceptance Certificate**” means a certificate / confirmation by the Borrower included in the Indicative Quotation (defined below) signed by the Borrower, in which the Borrower states that the Equipment has been received and that it is in good order and complies with the specifications of the Equipment ordered, or waives the right to inspect the Equipment after taking delivery from the Vendor and agrees to accept the Equipment unconditionally, the contents and form of which certificate shall be determined by the Lender and can be revised at the Lender’s sole discretion at any time. “**Indicative Quotation**” means a document containing the commercial terms of the Borrower’s loan application. Without prejudice to the foregoing, you shall be deemed to have accepted the terms of this Agreement by implied conduct upon the occurrence of any one or more of the following events: (a) oral confirmation by the Borrower of the commercial terms as set out in Clause 1, before such commercial terms are finalized in the form of the Repayment Schedule; (b) payment by or on behalf of and/or recovery on behalf of the Borrower, of Processing Fee as set out in the Repayment Schedule or any part thereof; (c) recovery of stamp duty, legal fees and any other costs, charges and/or expenses in relation to the Agreement; (d) recording of the Lender’s security interest including by way of endorsement of first, exclusive and fixed charge on the Equipment invoice(s); (e) endorsement of the Lender’s security interest on the Registration Certificate(s) relating to the Hypothecated Properties in terms of Clause 24; (f) payment of one or more Repayment Instalments to the Lender in terms of the Repayment Schedule. Provided that when so authorized by the Borrower in the Indicative Quotation, the Lender may recover the reimbursement of a part or whole of the stamp duty, legal fees and/or other fees, costs, charges and/or expenses from the Vendor from whom the Borrower has purchased, or intends to purchase the Equipment.
3. The Borrower shall use the proceeds of the Facility for the purchase of Equipment and where so indicated in the Indicative Quotation or the Repayment Schedule, may use them for financing insurance premia on the Equipment and/or the Borrower’s life, health and/or well-being (“**Purpose**”). The Lender shall not verify end use of the Facility. The Borrower shall at its sole cost provide proof to the satisfaction of the Lender evidencing the end use of the Facility towards the Purpose.
4. The Lender shall not advance any amount under the Facility until the Lender has received each of the documents required by the Lender and action to be taken by the Borrower as a condition precedent in a form as the Lender may require (“**Conditions Precedent**”). You shall on or before the date of execution of this Agreement, pay a “**Processing Fee**” to the Lender as set out in the Repayment Schedule, which fee shall not be refundable under any circumstances. Provided that when so authorized by the Borrower in the Indicative Quotation, the Lender may recover the Processing Fee amount(s) from the Vendor from whom the Borrower has purchased, or intends to purchase the Equipment.
5. Subject to the fulfilment of the Conditions Precedent the Facility or a part thereof may be advanced or drawn down. The Lender shall make disbursements under the Facility (other than amount(s) if any, towards financing of insurance premia) directly to the Vendor and not to the Borrower. The Lender may at its sole discretion and subject to fulfilment of additional conditions if any by the Borrower, choose to disburse the Facility amount or a part thereof, to the Borrower. “**Loan**” shall mean any part of the Facility advanced or disbursed as aforesaid.
6. The Borrower may cancel the amount of the Facility less (i) that part of the Facility (if any) which has been cancelled or reduced in accordance with this Agreement and (ii) the aggregate principal amount of all (if any) Loans, in accordance with the terms of this Agreement outstanding on such date (“**Available Commitment**”), or any part of it which is at least 25% (Twenty-five percent) of the Facility or a whole multiple of that amount, at any time before the expiry of the Availability Period with prior written notice of at least 14 Business Days. For the purposes of this Agreement, “**Business Day**” means a day (other than Saturday or Sunday) on which banks are open for business in Mumbai, India. Such cancellation shall not take effect unless the Borrower pays to the Lender on or before the date on which the cancellation is intended to take effect, a cancellation fee of one per cent (1%) of



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- the amount of that cancellation. Any part of the Available Commitment remaining unutilized or undrawn upon expiry of the Availability Period shall stand automatically cancelled at the expiry of the Availability Period (unless the Availability Period is extended for further period(s) at the Lender's sole discretion), and shall similarly attract a cancellation fee of one percent (1%) of the unutilized Available Commitment which fee shall forthwith become due and payable by the Borrower.
7. Save and except as otherwise provided in this Agreement, the Loan and the interest applicable thereto in accordance with the Repayment Schedule, shall be repaid in full by the Borrower. The Borrower shall not re-borrow any part of the Facility which is repaid.
  8. After the expiry of one (1) year from the last Commencement Date and with a prior written notice of at least 14 Business Days, the Borrower may, on any one Repayment Date, simultaneously prepay all amounts outstanding on the Facility entirely (i.e. not partly), with a prepayment premium of 4% (four percent) of Facility to be prepaid together with any funding or other costs, loss, expense or liability sustained or incurred by the Lender as a result or arising from the prepayment and any other sum then due under this Agreement. The Lender shall issue a prepayment quote to the Borrower at his/her request subject to receiving INR 500/- (Rupees Five Hundred only) by way of fees per prepayment quote. The Lender may at its sole discretion choose to return/refund the said fee in a single instance (net of applicable taxes, if any, thereon) upon prepayment of the entire Facility by the Borrower. Amount(s) of up to INR 500/- (Rupees five hundred only) received by us in excess of all outstanding amounts under the Facility as aforesaid when prepaying the Facility may not be returned to you and we may treat them as our income.
  9. Interest shall be payable at the rate set out in the Repayment Schedule ("Interest Rate") from the Commencement Date till the final Repayment Date being the date when the Repayment Instalment falls due for payment as per the schedule of repayment of the Loan(s) ("Repayment Schedule") which shall be notified to the Borrower by the Lender in writing (by letter, fax, e-mail or in any electronic form) containing the "Repayment Instalment" amounts payable on the respective Repayment Dates. The Repayment Instalments payable on the respective Repayment Dates shall be notified to you within 14 Business Days from the date when the Repayment Schedule is signed by the Lender. Amounts constituting Repayment Instalments so determined by the Lender and payable on the respective Repayment Dates shall be conclusive and binding on you. Provided that when so authorized by the Borrower in the Indicative Quotation, the Lender may recover the respective advance amount(s) and/or number of Repayment Instalment(s) from the Vendor from whom the Borrower has purchased, or intends to purchase the Equipment. "Pre-commencement Interest" means interest on Loan(s) at the applicable Interest Rate for the period from the date when the Repayment Schedule is signed by the Lender, up to the Commencement Date as set out in the relevant Repayment Schedule. Pre-commencement Interest shall be payable by the Borrower during the tenor of the Loan.
  10. Notwithstanding anything to the contrary contained in this Agreement, we reserve the right to increase the Interest Rate and modify the Repayment Schedule, by providing 15 calendar days' notice, in the event of exceptional circumstances, which shall be decided in our sole opinion.
  11. All sums payable by you under this Agreement shall be paid to us free and clear of any restriction, condition, deduction (or withholding) for or on account of any tax, or by way of set off, counterclaim or otherwise. You acknowledge and agree that the sole responsibility for determining the proper treatment of this Agreement for tax purposes rests with you.
  12. If at any time it is or will become unlawful or contrary to applicable law for us to carry out all or any of our other obligations under this Agreement this Agreement shall be cancelled and you shall prepay the Facility as specified by us.
  13. The Borrower shall pay all amounts due and payable in such manner as the Lender may require, into the Lender's bank account maintained in Delhi as notified by us from time to time subject to the Lender's sole discretion to instruct the Borrower at one (1) calendar day's notice, to pay any sum payable under this Agreement to one or more of the Lender's bank account(s) maintained outside Delhi. You shall promptly upon our request, issue instructions to your banker(s) to make repayments under this Agreement in any mode including Automated Clearing House or any other electronic mode, and in such form and manner as required by us from time to time. You shall be liable to pay us a flat charge of INR 500/- (Rupees five hundred only) per dishonoured instrument or payment instruction. Unless you have made any payments or repayments to the Lender's designated bank account electronically, you shall obtain a written receipt or acknowledgement from the Lender's duly authorized representative in respect of every payment/repayment made under this Agreement.
  14. If a Repayment Date falls on a non-Business Day, then it shall be deemed to fall on the previous Business Day.
  15. The Lender may, at its absolute discretion, appropriate in any manner, such payment towards the dues, if any, payable by the Borrower in relation to any agreements with, or indebtedness of the Borrower.
  16. You represent and warrant that (i) you have the power to enter into this Agreement and perform and comply with the provisions herein and you have taken all actions necessary to do so; (ii) you have not received any notice of acquisition; (iii) you have not violated any applicable law (where the Borrower is incorporated, your constitutional documents) or any agreement to which you are a party; (iv) you are not insolvent, bankrupt or unable to pay your debts and you have received no notice to this effect; (v) all information provided by you to us is true and not misleading in any respect; (vi) there are no actions, suits or legal proceedings pending or threatened against you; (vii) you have absolute ownership of the Hypothecated Properties (defined elsewhere), which are or shall be free and shall continue to be free from charge, lien, trust or other encumbrances save and except the encumbrance created in our favour; (viii) no event which has an adverse effect on: (a) the Equipment; (b) the financial condition, assets, liabilities, properties, results of operations, conditions (financial or otherwise), prospects or business of the Borrower; or (c) the validity or enforceability of any of agreements in relation to the Facility or the rights or remedies of the Lender therein ("Material Adverse Effect"), has occurred; and (ix) you are not in default or in arrears of any statutory dues and taxes payable to any governmental authority.
  17. You will promptly deliver to us any information relating to your financial condition or business or the Equipment as we may from time to time reasonably require.
  18. You shall not (i) sell, transfer, sub-lease, sub-hire, lend or otherwise dispose of the Equipment, (ii) create or permit to subsist any security interest on or encumber the Equipment, (iii) affix the Equipment to any premises in such a manner as to make it a part of such premises, (iv) alter or modify or permit any alteration of the Equipment, and/or, (v) change the Equipment location from the Borrower's Address as per the Repayment Schedule, without our prior written consent.