

LOAN AGREEMENT

THIS LOAN AGREEMENT (the “**Agreement**”) is made at the place and on the date specified in Schedule I between

Shriram City Union Finance Ltd, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 123, Angappa Naicken Street, Chennai-600001 having its branch at the address stated in Schedule I (hereinafter referred to as the “**Lender**” which expression shall, unless it be repugnant to the meaning or context thereof, mean and include its successors in title and assigns) of the First Part;

and

The person specified in Schedule I as Borrower, residing at the place specified in Schedule I (hereinafter referred to as the “**Borrower**”) of the SECOND PART:

The Person mentioned as Guarantor(s) in Schedule I (hereinafter referred to as the “Guarantor(s)”) which expression shall unless repugnant to the context mean and include their heirs, executors, administrators, successors and assigns) of the THIRD Part.

The Borrower, Guarantor(s) and the Lender shall hereinafter be referred to individually as “**Party**” and collectively as “**Parties**”.

WHEREAS

1. The Lender is engaged in the business of providing finance to a wide range of customers.
2. The Borrower has requested the Lender to advance a loan for purchase of commercial vehicles/ tractors/ car (“**the Loan**”) to the Borrower of the amount specified in Schedule I (“**Loan Amount**”) which the Lender has agreed to grant subject to the Borrower executing such documents as may be required from the Lender from time to time. The Guarantor has agreed to act as the guarantor for the obligations of the Borrower in respect of the Loan on the terms set out in this Agreement and agrees to join in the execution of this Agreement.
3. The Parties hereto desire to record the terms and conditions in relation to the Loan and certain other matters related thereto the manner herein after contained.

NOW THIS AGREEMENT WITNESSETH AND THE PARTIES HERETO AGREE AS FOLLOWS:

1. Terms of the Loan

- a) The Lender hereby agrees to lend and the Borrower agrees to borrow the sum as specified in Schedule I (hereinafter referred to as “**The Loan**” on the terms and conditions contained herein and / or in the Borrower’s application for the loan).
- b) The Tenure, interest rate (“**Interest**”) and the schedule of repayment in respect of the Loan shall be as specified in Schedule I as set out herein or as may be amended in accordance with this agreement from time to time.
- c) The loan shall carry interest at the fixed rate and on the terms specified in Schedule I. Disbursements under the loan shall be deemed to be made on the date the cheque(s)/pay order(s)/authorization(s)/demand draft(s) are issued/ made by the Lender and not on the date of their actual receipt, and if by credit, when credit is made by the Lender.
- d) The Borrower hereby confirms that the effective rate of interest as specified in Schedule I is arrived at on the basis of the amortization of principal and interest. It is also clearly understood by the Borrower that the interest is payable on the advance EMI portion payable under Schedule II as well and that the Borrower shall not dispute such calculation at a later date.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

2. Fees

- a) The Borrower agrees to pay to the Lender the fees as set out in Schedule II. The Borrower is aware that the said schedule is not exhaustive and can be changed and fresh/new charges can be added to, any time and from time to time, at the sole and absolute discretion of the Lender and such changes/other/fresh/new charges shall be final and binding on the Borrower upon the Lender issuing a notice to the Borrower. The Borrower also undertakes to pay to the Lender all expenses and charges which may be incurred by the Lender in relation to this Agreement and all other expenses for enforcement of the repayment by the Borrower to the Lender, other than as set out in this Agreement. The Borrower hereby authorise the Lender to deduct the above said amounts, payable by the Borrower, from the Loan Amount and to pay to the Borrower / Dealer (“Dealer”) from whom the Borrower proposes to acquire the vehicle , only the balance amount. The Borrower hereby confirms that any payments made by the Lender to the Dealer shall be deemed to be part of the Loan Amount of the Borrower and the Borrower shall be under obligation to repay the same.
- b) The Borrower agrees to pay to the Lender the upfront charges/ Processing Fees and also the Advance EMI as set out in schedule II. The Borrower hereby authorizes the Lender to deduct these amounts from the loan amount and to pay to the borrower / Dealer the balance amount. The Borrower hereby confirms that irrespective of deduction of such fees, the obligation of the Borrower to repay to the Lender shall be of the entire Loan Amount along with Interest, and other charges in terms of this Agreement. The fees paid / deducted by the Lender is to meet the out of pocket expenses and the same is non- refundable / non-adjustable. The gross loan amount as reflected in the Schedule shall be deemed to have been received by the Borrower.
- c) In addition to the fees set out in clause (a) above, the Borrower shall be required, on demand, to reimburse the Lender for all costs and expenses (including but not limited to legal fees) if any incurred in or in connection with the preservation and/or enforcement of any of the rights of the Lender under this Agreement.
- d) The Borrower undertakes to pay all such sums due which will be payable by the Borrower to the Lender by virtue of the Loan Amount plus interest as per the terms mentioned herein.
- e) **Repayment:**

The Borrower undertakes to pay to the Lender, the installments of the Loan along with interest and such other amounts due to the Lender in accordance with Repayment Schedule I and other terms of this Agreement (Such balance of installments and the other dues and damages hereinafter referred to as “Loan Balance). The Borrower hereby confirms having perused, understood and agreed to repayment schedule as stipulated in Schedule I. The Borrower further agrees to pay any other charges such as interest tax or other tax/ charges as may be levied by the Government at any time.

The Borrower hereby agrees that the Lender shall have no obligation to serve notice to the Borrower on the due dates.

The mode of repayment by the Borrower will either be by way of cash, issue of Post dated cheques or by Electronic Clearing system (ECS) / Automated Clearing House (ACH) or by way of standing instructions to the Banker’s of the Borrower to debit the Borrower’s account and credit of the same to the account of the Lender, or by any other mode agreed to by the Lender in writing. Be it as it may , if the installment is not credited to the account of the Lender on the due date as mentioned in the Repayment Schedule, then it shall be construed that the Borrower is at default and the clauses consequent to default will be applicable.

The Borrower may issue to the Lender post dated cheques(PDC) towards repayment of the installments / dues arising under this Agreement and undertakes that sufficient balance will be made available for honoring the cheques on the due date as and when presented for payment by the Lender on or after the due date. Any non-presentation of cheque/ loss of cheque in custody / transit will not vitiate the liability of the Borrower and the Borrower shall ensure that the dues are paid on the due date by either issue of

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

fresh cheques or by cash against issue of official receipt. In the event of any Cheque(s)/ Draft(s), issued by the Borrower to the Lender for repayment of EMI/Installment and/ or any other charge/dues, being lost/stolen/misplaced/damages, the Borrower agrees to replace the said cheque(s)/Draft(s) with fresh Cheque(s)/Draft(s) of even amount within seven days of being informed of the same by the Lender.

Alternatively, the Borrower shall unconditionally and irrevocably authorize the Bank through Standing instructions or Electronic Clearing System (ECS) instructions / ACH to debit the Borrower's account towards the dues payable to the Lender. The Borrower further agrees to maintain sufficient balance in the account to enable his / her Bankers to facilitate the debit of the account, and remittance of the amount so debited to the credit of the Lender. The Lender shall have the sole discretion to continue with this option and any time thereafter, the Lender may insist on issue of PDC which the Borrower hereby agrees to.

The Borrower, subject to the prior written permission of the Lender may swap the PDC's issued towards discharge of the liability and such swap of PDC's and / or change of mode of Payment to ECS / ACH, if permitted by the Lender, shall be subject to payment of Swap charges as specified in schedule III, hereto. If the Lender has to arrange to collect the amounts payable by the Borrower under this Agreement every month from the Borrower then collection charges of an amount specified in Schedule III for every such installment collected shall be levied upon the Borrower by the Lender.

The Borrower shall not change the name or constitution or close the bank account, from where the PDC's are issued, without the prior written consent of the Lender. Further the Borrower shall not call upon the Lender to refrain from presenting any cheque and shall also not issue "STOP PAYMENT" instructions to his banker's for any reason whatsoever, and if the Borrower does so, the Lender shall not take cognizance of such instructions and continue to present the cheque. In the event of dishonor of the cheque, it is open to the Lender to take appropriate action for recovery of the money due as per applicable law. Without prejudice to any other right available to the Lender, **the Borrower herein unconditionally agrees to pay the cheque bounce charges and overdue interest till date of payment of the cheque amount, as per Schedule III hereto**, in addition to remittance of the cheque amount. The Borrower hereby accepts that it is his/her responsibility to ascertain from his/her banker about the bounce of cheque(s) issued by him/her and shall at no point of time seek or purport to state that the fact of dishonor of the cheque issued by him has not been intimated by the Lender.

f) **Late payment Charges:**

If the Borrower commits default or delay in payment/repayment of any installment, the Loan, interest or any other amount, the unpaid amounts shall carry Overdue interest as mentioned in Schedule III ("Late payment Charges") and shall be computed from the respective due dates for payment and shall become payable upon the footing of compounded interest with monthly rests. The Borrower shall also be liable to pay collection charges for Late Payment charges as mentioned in Schedule III .

g) **Prepayment:**

The Borrower shall not be allowed to prepay the Loan Amount and the interest thereon during the first six months from the date of disbursal. The Borrower may exercise the option of pre-payment, subject to the Borrower complying with the following conditions and at the absolute discretion of the Lender. Prepayment may be allowed by the Lender at any time after Six months, subject to the Borrower giving the Lender a written Notice of 30 days and the Lender shall also be entitled to refuse / reject such pre-payment / accept pre-payment together with pre-payment charges as specified in Schedule III, hereto.

The amount pre paid shall be first used to credit the expenses if any, Bank charges, overdue charges, arrears of instalments, interest due up to date, foreclosure / pre-payment charges and other expenses as mentioned in this Agreement. If any amount remains after meeting the charges then it shall be adjusted towards the principal amount.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

It is hereby clarified that the pre-payment charges will be levied, as per Schedule III, only on such part of pre paid amount which gets deducted from the outstanding principal amount.

Subject to the approval of the Lender and subject to the adjustments set out above, the Borrower may pre-pay the loan amount either in full or part payment. Upon such partial prepayment of the loan, subject to the consent of the Lender, the Borrower and the Guarantor(s) shall be obliged to repay the balance amounts outstanding as per the revised schedule of repayment to be provided by the Lender and such revised schedule shall stand substituted for Schedule I herein.

h) **Cross Default:-**

The Borrower agrees and confirms that the Lender may at its absolute discretion appropriate any payments made by the Borrower under this Agreement towards another agreement or transaction entered into by the Borrower with the Lender and towards any indebtedness of the Borrower and such appropriation shall be final and binding upon the Borrower who shall continue to remain indebted to the Lender for payment of the dues under this Agreement in respect of which such sums of money were so paid but were appropriated towards another agreement or transaction entered into by the Borrower or towards another indebtedness of the Borrower. The provisions of this Agreement and any security document executed pursuant to this Agreement shall apply mutatis mutandis to the manner of disposal of security and appropriation under this Clause.

i) **Recall of the Loan by the Lender:**

The Borrower agrees that the Lender shall be entitled to, at any time, in its discretion; recall the loan by giving to the Borrower three clear working days notice in writing. It is a specified condition that the repayment schedule set out in Schedule I is without prejudice to the Lender's right to recall the entire Loan and to demand payment of the Loan Balance.

j) The Borrower acknowledges that the rates of interest, late payment charges and other amounts payable under this Agreement are reasonable. The Borrower acknowledges that the facility is a commercial transaction and specifically waives any defense under usury or other laws relating to or restricting the same.

k) The Borrower confirms having understood and agreed to the Lender's method of calculating installments as also its division into principal and interest.

3. Security for the Loan

The repayment by the Borrower to the Lender of the installment and other dues and the overdue interest and other charges due and payable under this Agreement shall be secured by one or more of the following as stated in Schedule I which shall constitute "**The Security**" -

- a) Hypothecation of the Commercial vehicle/Tractor / car / asset mentioned in Schedule V together with all accessories and additions to or in the vehicle(s), whether present or future, by way of first and exclusive charge.
- b) The Borrower(s) agrees and undertakes to have the vehicle(s) registered with the appropriate registering authority, with an endorsement in favour of the Lender (as provided for in the Motor Vehicle Act, 1988 or any statutory amendment thereof) so as to clearly express that the vehicle(s) is/are hypothecated to the Lender and to submit a copy of the Registration Certificate(s) to the Lender, if such endorsement does not exist in respect of the vehicles in favour of the Lenders
- c) The Borrower(s) undertake to get the endorsement of the Lender made on the Registration Certificate(s) within a period of 30 (thirty) days from the date of sanction of the Loan Amount to confirm and record the fact that the Borrower(s) has hypothecated the vehicle(s) in favour of Lender as per the provision of this Agreement.
- d) The Parties hereto agree that the said endorsement on the Registration Certificate(s) shall operate as conclusive evidence of such hypothecation.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

4. Guarantee

- a. In Consideration of the Lender having advanced the Loan to the Borrower, the Guarantor(s) hereby agrees and undertakes that in the event that the Borrower fails, neglects or refuses for any reason whatsoever to repay and/ or is unable to pay any of the installments or amount due and payable under this Agreement, the Guarantor(s) does hereby guarantee and undertake to pay the Lender the installments along with any penalties, costs, charges, commission, expenses and statutory dues, if any, without any demur or protest or contestation and without any reference to the Borrower, unconditionally without raising any objections or issue whatsoever and irrespective of or not withstanding and dispute or difference in respect of the said amounts due to the Lender.
- b. The Guarantee shall remain in full force and will be valid till the complete discharge of liabilities of the Borrower under this Agreement as also all costs, commission and charges hereunder.
- c. The Guarantor(s) agrees that he is jointly and severally liable under the terms of the guarantee. The Guarantor(s) in relation to Lender is and shall be a principal obligator in respect of all obligations, liabilities and responsibilities undertaken in favour of Lender under this Agreement and the Lender shall be entitled to proceed against the Guarantor(s) as if the Guarantor(s) was the principal debtor of Lender in respect of all obligations and payments guaranteed by the Guarantor(s).
- d. The Guarantor(s) agrees that, wherever necessary, all references to the Borrower under the terms of this Agreement shall mean to include references to the Guarantor and the same shall be construed and interpreted accordingly. For the sake of clarity, any reference to issuing notice to Borrower calling upon Borrower to repay amounts, shall also mean and include issuing notice to Guarantor for the said purpose.

5. Representation and Warranties

- a) The Borrower represents and warrants that:
 - i. His execution, delivery and performance of this Agreement are within his powers and not contravene any contract binding on or affecting his or any of his, do not violate any applicable law or regulation;
 - ii. this Agreement is valid and binding upon the Borrower;
 - iii. there is no pending or threatened action which may materially adversely affect the validity or enforceability of this Agreement;
 - iv. all information provided by the Borrower and Guarantor to the Lender under this Agreement is correct and true.
- b) The Guarantor(s) hereby represent and warrant that:
 - i. The Guarantor(s) are liable to repay the Loan Amount along with Interest in terms of the repayment schedule and the liability of the Guarantor(s) shall be co-terminus with that of the Borrower;
 - ii. The security if any, provided by the Guarantor(s) is free and unencumbered and is owned by the Guarantor(s) and there are no litigations pending in respect of the security and no amounts are owing to any person in respect of the security.
 - iii. The Guarantor(s) represent that any communication with the Borrower and acknowledgement of the same is binding on the Guarantor(s). Similarly, acknowledgement of Liability by the Borrower is binding on the Guarantor(s) till such time the liability is discharged to the satisfaction of the Lender.
- c) The Borrower and/or the Guarantor(s) will not seek to claim or recover from the Lender on any grounds whatsoever and/or in any circumstances whatsoever (whether now or hereafter existing), any purported damages or compensation, direct, indirect or consequential, for any acts or actions whatsoever of the Lender hereunder and/or in respect of the Loan and/or the Security, taken or omitted by the Lender in terms

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

hereof and/or pursuant hereto and/or to protect any of its interests and rights as the Lender or a creditor, and the Borrower and/or the Guarantor(s) hereby expressly waives any right to seek or make any such claim or recovery on any grounds whatsoever.

- d) The Borrower and/or the Guarantor(s) hereby accept and confirm that it has no objection to the Lender administering the Loan through third Parties. The Borrower and/or the Guarantor(s) confirm that the Lender may either partly or in full delegate such of those activities to any third party as it may think fit in the circumstances. Such delegation of work, would include the right and authority to collect the outstanding on behalf of the Lender, the dues and unpaid installments and other amount due under the Agreement and to perform and execute all lawful acts, deeds and matters and things connected therewith and incidental thereto including sending notices to the Borrower and/ or the Guarantor(s), receiving cash against issue of the receipts. For the purpose aforesaid as for any other purpose at the sole discretion of the Lender, the Lender shall be entitled to disclose to the third party the details of the Borrower and/ or the Guarantor(s), the Loan, the outstanding amount and other information for effectively discharging the work assigned to the third Party and the Borrower hereby consents to such disclosure by the Lender.
- e) Notwithstanding anything contained herein, the Lender at its sole discretion may permit the Borrower to accelerate pre-payment of the Loan at the request of the Borrower. The Borrower may prepay the entire outstanding loan, subject to the compliance with conditions given in clause 2(g).

6. Disbursement

- a) The Lender shall not be obliged to disburse the loan unless; (i) The Borrower has created the Security and (ii) The Borrower has, if so requested by the Lender, delivered post dated Cheque for the installments to the Lender and (iii) The Borrower has complied with such other conditions as the Lender may impose.
- b) The Borrower and the Guarantor(s) agree that the payment of all the amount due to Lender under this Agreement can always be enforced against the Borrower's & Guarantor's respective estate and assets and this Agreement shall be binding upon "their heirs, executors, legal representatives and administrators of the Borrower and Guarantor(s).

7. Events of Default and Remedies

a) Events of Default

The following events shall constitute an "Event of Default"

- i. If the Borrower defaults in the payment of principal, installments or any expense or charges as and when they become payable and non adherence to the Repayment Schedule; or
- ii. If the Borrower and/ or the Guarantor(s) is in breach of any term or condition of this Agreement (including in respect of repayment of the Loan balance) or any warranty or credit information provided is incorrect or untrue in any respect; or
- iii. If any litigations or proceedings (including arbitration or conciliation proceedings) are initiated against or orders of decrees are passed against or notice are received by the Borrower/ Guarantor; or
- iv. the Borrower / Guarantor committing a default under any other loan/credit facility or agreement or contract availed/entered into by the Borrower / Guarantor with Lender or any third party and the same not being remedied to the satisfaction of the Lender within such time as the Lender may in its absolute discretion specify; or
- v. On the death/lunacy or other disability of the Borrower or
- vi. If the Borrower becomes person resident outside India under the provisions of FEMA 1999.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

vii. Any other event which in the sole opinion of the Lender would endanger the repayment of the Loan Amount.

b) **Consequence of Default:**

i. The entire Loan Amount along with Interest shall immediately become due and payable, and the Lender shall have the right to recall the entire Loan Amount together with interest and overdue charges / late payment charges and other charges, as mentioned in Schedule III hereunder;

ii. Lender shall be entitled to enforce the Security, if any available;

iii. Lender shall be entitled to proceed against and take any action against the Borrower and /or the Guarantor/s in order to realize the Loan Amount along with overdue Interest, Charges and expenses as set out in Schedule III hereunder;

iv. The Borrower and the Guarantor/s hereby agree to pay overdue interest at 36% p.a as specified in Schedule III on the amount outstanding from time to time till such time the Loan Amount is repaid.

v. In addition to the rights specified in this Agreement, the Lender shall be entitled to take all or any action with or without intervention of the Courts to recover the monies due and payable by the Borrower and/ or the Guarantor/s under this Agreement.

vi. Notwithstanding any other rights available to the Lender under this Agreement, the Lender shall be entitled to initiate criminal proceeding or any other appropriate actions against the Borrower and / or Guarantor/s if at any time the Lender at its sole discretion has sufficient grounds to believe that the Borrower and / or the Guarantor/s has made any misrepresentations or submitted any forged documents or fabricated data to the Lender.

vii. All rights and powers conferred on the Lender by this Agreement shall be in addition and supplemental to any rights the Lender has as a creditor against the Borrower and/ or the Guarantor/s under any law for the time being in force and security documents and shall not be in derogation thereof.

c) **Repossession of hypothecated Security**

i. Without prejudice to any other rights available to the Lender, upon the occurrence of the above stated Event of Default, and at any time thereafter, and the Borrower failing to update the account together with bank charges, cheque bounce charges, overdue interest for delayed payment, the Lender shall issue a notice to the Borrower giving him a minimum of seven days time to update the dues pending as on that date.

ii. If the Borrower fails to pay the loan amount within seven days from the date of notice, the Lender shall without prejudice to any other rights available to the Lender may at its sole discretion , enter upon the premises where such vehicle is located and enforce the Security as per the terms of this Agreement, repossess the hypothecated vehicle as per the terms and conditions set forth in Schedule – VI, in accordance with the guidelines issued by the Reserve Bank of India without any liability to the Lender or its agent, for such entry or damage to the property or otherwise. For this purpose the Borrower hereby expressly grants irrevocable authority to the Lender to enter upon the premises and exercise its rights under this clause.

iii. On taking possession of the vehicle, the Lender shall have the right to terminate the Agreement and call upon the Borrower to pay the entire amount due under the Agreement including the future dues together with liquidated damages as may be determined by the Lender. A minimum notice period of seven days shall be provided to the Borrower to settle the account, on taking possession of the vehicle.

iv. The Lender hereby reserves the right to waive the above stated notice period in case of occurrence of any Event of Default as set out in Schedule VI (iii) to(vii) and

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

in case the Borrower intends to part with / parts with the possession of the vehicle without payment of dues to the Lender, when the vehicle is used for unlawful activities and in case the vehicle is dismantled in part or full by the Borrower thus leading to erosion in value.

- v. The Lender reserves the right to appoint at its discretion such persons as its agents and trustees as the Lender may deem fit and the Borrower accepts and acknowledges that such agents and trustees shall have the right to demand payment from the Borrower all amounts due and payable by the Borrower to the Lender, to receive such payments from the Borrower, to seize/ repossess the security charged in favour of the Lender for the Loan granted, to proceed against the Borrower for recovery of the Loan, to foreclose the security created by the Borrower, to file suits and take legal proceedings against the Borrower for recovery of all or any of the amounts due by the Borrower to the Lender and to do all such acts, deeds and things as the agents and trustees may be entitled to do pursuant to the authority granted to them by the Lender.
- vi. The Lender / security trustee, as the case may be, in the event of default on the part of the Borrower in paying the amount due under this Agreement, shall be entitled to repossess and obtain delivery of the vehicle wherever it is situate. In the event of the vehicle containing any other article/s, goods or matter not constituting hypothecation, the Borrower hereby consents to and give authority to the Lender / Security Trustee to invent the same and keep the same in a godown / warehouse or at a place at the discretion of the Lender at the cost of the Borrower and take such action as may be necessary for sale of the vehicle. It is also open to the Lender to sell the goods / articles or matter not constituting hypothecation if the same is not taken delivery within 48 hours of intimation by the Lender and such sale of goods or articles or matter at the discretion of the Lender shall not be questioned and the proceeds of sale shall be appropriated towards the dues payable by the Borrower to the Lender. This constitutes an express charge in favour of the Lender / security trustee for such course of action
- vii. The Borrower hereby agrees and confirms that in the event of the Lender repossess the hypothecated security, the Lender shall be either at liberty to keep the said security in the premises wherein they may be lying at the time of repossession thereof and affix the Lender locks to such premises or to remove the security to any other premises. In the event of the Lender repossessing the hypothecated security or appointing an agent or representative or a receiver thereof, neither the Lender nor the receiver shall in any way be liable and/or responsible, notwithstanding anything to the contrary contained in section 152 of the Indian Contract Act, 1872 and/ or any other law for the time being in force for any damage, loss, deterioration to the hypothecated security, whether by theft, fire, flood, earthquake, drought, lightening or any other cause whatsoever.
- viii. The Borrower hereby agrees that in the event the Lender repossess the hypothecated security, the Lender shall be at liberty to appoint any officer of the Lender as a receiver of the hypothecated security and/ or sell the vehicle in "as is where is" condition by public auction either on Web sites or through third parties by private sale or by displaying the details of vehicles offered for sale on the notice Board in the branch office of the Lender or in any manner as deemed appropriate by the Lender at such price as may be determined by the Lender in its absolute discretion (and the decision of the Lender with respect to the price or any other matter shall be final and binding on the Borrower) and to enforce, realize, scale, compromise and deal with the rights aforesaid without being liable for any loss in exercise thereof and without prejudices to the Lender's right and remedies of suit against the Borrower and to apply the net proceeds of such sale in or towards the liquidation of the balance due to the Lender. The Borrower hereby accepts the Lender's account of sales, realizations and to pay any shortfall or deficiency therein shown. However, if the Borrower settles the account within the notice period, then the Lender shall redeliver the vehicle to the Borrower.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

- ix. In the event the net sum realized by such sale be insufficient to cover the balance then due to the Lender, the Lender shall issue a notice to the Borrower calling upon him to pay the shortfall amount, and **the Borrower is liable to pay the same within seven days from the date of notice together with interest @36% p.a till date of payment.** On the contrary if there is any surplus on sale of the vehicle then the Lender shall refund such surplus amount to the Borrower.

8. Waiver of certain rights by the Guarantor(s)

The Guarantor(s) hereby agrees to the following:

- a) The liability of the Guarantor(s) under this Agreement shall in no manner be affected by any variations, acts or forbearance, or by reason of time extended to the Borrower, or of any other forbearance act or omission on the part of the Security or by any other matters or things whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Guarantor(s).
- b) Any variance made without the Guarantor's consent, in the terms of this Agreement, shall not discharge the Guarantor(s) from his / its obligations under this Agreement or as to terms subsequent to such variance.
- c) The Guarantor(s) shall not be discharged by any contract between the Lender and the Borrower, by which the Borrower is released, or by any act or omission of the Lender, the legal consequence of which is the discharge of the Borrower.
- d) Any contract between the Lender and the Borrower, without the consent of the Guarantor(s), by which the Lender make a composition with, or promises to give time, or not to sue, the Borrower, shall not discharge the Guarantor(s).

9. General

- a) The Borrower and the Guarantor(s) shall at all times adhere to the terms and conditions set out in this Agreement and any amendments hereto.
- b) that he/she shall, within 2(two) days of change in his/her residential and/or office/business address, as given in this Agreement, inform the Lender, in writing of his/her new address;
- c) the Loan Amount shall be utilized for the purposes as set out in the Agreement and shall not be utilized for any other purposes;
- d) any dispute about interest computation shall not entitle the Borrower to withhold payment of an monthly interest or other amounts due.
- e) The Lender shall have the right to appropriate the amounts paid by the Borrower in such manner, at the sole discretion of the Lender.
- f) The Borrower is liable to pay the amounts as set out in Schedule III as cheque bounce charges to the Lender, in case a cheque provided by the Borrower towards part/complete fulfillment of his obligations under this Agreement, is dishonored. Notwithstanding such charges paid by the Borrower, the Lender shall have the right to initiate legal proceedings against him/it under the Negotiable Instruments Act, 1881 in case of any such dishonor. The Lender shall have a right to proceed against the Borrower in case where the Borrower issues ECS / ACH instructions to its Bank and the said instructions are not honoured by the Borrower's Bank due to insufficient funds / Exceeds Arrangement or withdrawal of such instructions / Stop Payment.
- g) The Lender shall at any time, at its absolute discretion have the right to combine or consolidate or divide into two or more of any of the accounts of the Borrower accounts with the Lender and/or set-off or transfer or appropriate any sum or sums standing in the credit of any one or more of such accounts in or towards satisfaction of the liabilities of the Borrower on any other account or any respect.
- h) Without prejudice to any rights of the Lender, the Lender shall have a paramount lien and right of set-off against all monies of the Borrower standing to the credit of the Borrower in any account(s) of the Borrower with the Lender and the Borrower authorizes the Lender to debit the account(s) of the Borrower with the Lender, to

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

apply any credit balance to which the Borrower is entitled on any account of the Borrower with the Lender in (part) satisfaction of any sum, whether for principal or interest or otherwise due and payable by the Borrower to the Lender under this Agreement. The Borrower hereby agrees to pay to the Lender the outstanding amount if any in the loan account even after the credit of the amount from other accounts.

- i) Nothing contained herein shall prejudice or adversely affect any general or special lien or right to set-off to which the Lender is or may by law or otherwise be entitled, or any rights or remedies of the Lender including in respect of any present or future security, guarantee, obligations of the Borrower.
- j) It is hereby accepted by the Parties that the amounts stated by the Lender as due from the Borrower, shall be final and conclusive proof of the correctness of any sum claimed by the Lender to be due from the Borrower in respect of this Agreement, a statement of account made out from the books of the Lender and the Parties hereby agree that the same shall not be disputed by the Borrower and/or the Guarantor(s).
- k) The right of the Lender to recover the dues from the Borrower shall be exercised either by the Lender or its authorized representatives and the Borrower hereby agrees to the same.
- l) The Lender shall be entitled to assign / securitize its receivables from the Borrower and the Borrower hereby consent to the Lender exercising such right.
- m) The Borrower shall not give or pay to any person who agrees to incur any obligation for the Borrower in favour of the Lender, any monies or other consideration or remuneration, whether by way of commission, brokerage or fee or in any other form whatsoever or howsoever for giving or confirming the personal guarantee or obligation.
- n) The Borrower agrees to produce any documents / additional documents as may be required by the Lender from time to time.

10. Indemnification

The Borrower and the Guarantor(s) shall indemnify and hold the Lender and its directors, officers, employees, agents and advisers harmless against losses, claims, liabilities, or damages which are sustained as a result of any acts, errors, or omissions of the Borrower, and the Guarantor(s) relating to this Agreement or any other document executed thereof in pursuance to this Agreement.

11. Assignment

- a) It is expressly agreed that the borrower and / or the Guarantor(s) shall not be entitled to assign, either directly or indirectly, the obligations set out herein.
- b) The Lender shall be entitled to assign its rights and obligations under this Agreement in part or in full to any third party.
- c) The Lender shall at any time, with reference to the Borrower or Guarantor(s) be entitled to securitize, sell, assign, discount or transfer all or any of the Lender's rights and obligations under this Agreement together with the underlying security to any person(s) of the choice of the Lender, in whole or in part and in such manner as the Lender may decide. Any such sale, assignment or transfer shall bind the Borrower and Guarantor(s), conclusively.

12. Term and Termination

- a) This Agreement shall become effective on execution.
- b) The Agreement shall stand terminated on the date the Borrower has repaid the Loan Amount in full along with Interest, overdue interest, fees and other charges as mentioned in this Agreement, and fulfilled all other obligations under the Agreement to the satisfaction of the Lender.
- c) The Borrower does not have the right to terminate this Agreement in any situation except with the written consent of the Lender, by repaying the entire amounts due to the Lender under this Agreement.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

- d) This Agreement shall be terminated upon the recall of the Loan subject to the terms and conditions of this Agreement.

13. Arbitration and Dispute Settlement

- a) All disputes, differences and/or claims, arising out of this Agreement, whether during its subsistence or thereafter, shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any other statutory modification or re-enactment for the time being in force and shall be conducted by a sole arbitrator to be appointed by the Lender, under the provisions of the Arbitration and Conciliation Act, 1996. The applicable law shall be Indian laws. In the event of incapacity or resignation or death of the sole arbitrator so appointed, the Lender shall be entitled to appoint another arbitrator in place of the earlier arbitrator, and the proceedings shall continue from the stage at which the predecessor had left.
- b) The award given by the arbitrator shall be final and binding on the parties to this Agreement. The cost of the Arbitration shall be borne with by the Party/ies, in accordance with the Award passed by the Arbitrator.
- c) The venue of Arbitration shall be as specified in Schedule I hereto and the proceedings shall be conducted in English language.

14. Jurisdiction and Governing Law

Subject to the Arbitration Clause mentioned above, this Agreement shall be governed and construed in accordance with the substantive laws of India and the parties hereto submit to the exclusive jurisdiction of the Courts, situate at the place as specified in schedule I hereto.

15. Waiver

No delay in exercising or omission to exercise any right, power or remedy accruing to the Lender upon any default under this Agreement, security documents or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Lender in respect of any default or any acquiescence by it in any default, affect or impair any right, power or remedy of the Lender in respect of any other default.

16. Severability

If any provision in this Agreement shall be found or be held to be invalid or unenforceable, then the meaning of said provision shall be construed, to the extent feasible, so as to render the provision enforceable, and, if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement and in such an event, the Parties shall use best efforts to negotiate, in good faith, a substitute, valid and enforceable provision or agreement, which most nearly reflects the Parties' intent in entering into this Agreement.

17. Disclosure of Information

- a) The Borrower and Guarantor(s) accept, confirm and consent for the disclosure and sharing by the Lender of all or any information and data relating to the Borrower, the facilities, any other transactions that the Borrower has with the Lender, the Borrower's account, and the agreements and documents related to the facilities and transactions, including but not limited to information relating to default, if any, committed by the Borrower, in the discharge of the Borrower's obligations in relation to the facilities or other transactions, as the Lender may deem appropriate and necessary to disclose and furnish, to the Reserve Bank of India ("RBI") and/or to the Credit Information Bureau (India) Ltd and/or to any other agency or body as authorized in this behalf by RBI, to other banks and lenders including assignees and potential assignees, to its professional advisers and consultants and to its service providers instructed by it in relation to the Facilities, and/or as required under law or any applicable regulation, or at the order of a court of law, or at the request or order of any statutory, regulatory or supervisory authority with whom it customarily deals with or complies.
- b) The Borrower and the Guarantor(s) undertakes and covenants that it shall provide all information, including information regarding other credit facilities enjoyed by the

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))

Borrower, as and when required by the Lender. The Borrower declares that the information furnished to the Lender from time to time is and shall be true and correct.

- c) The Borrower and the Guarantor(s) hereby further agrees that in case the Borrower and the Guarantor(s) fails to pay the Lender's dues or commits default in the repayment of the loan installment(s) or interest thereon on due date(s), or the account of the Borrower and the Guarantor(s) becomes Non-Performing Assets as per the Reserve Bank of India's norms, the Lender will be at liberty to disclose or publish the photograph(s) in Electronic and print media, the name(s) and address(es) of the Borrower and the Guarantor(s) as willful defaulter along with the details of outstanding dues payable by such Borrower, and the Guarantor(s) to the Lender.
- d) The Borrower and the Guarantor(s) :
 - i. accepts that the RBI or the Credit Information Bureau (India) Ltd. and or any other agency so authorized, any statutory, regulatory or supervisory authority or other lenders, associates, advisors , consultants may use, process, disseminate the said information and data disclosed by the Lender in such manner as deemed fit by them in any particular circumstances; and
 - ii. shall not hold the Lender responsible or liable in this regard.
- e) The Borrower and the Guarantor(s) authorize the Lender to disclose, from time to time any information relating to the Loans to any Parent / subsidiary / affiliates / associate entity of the Lender, and to third parties engaged by the Lender, for the purpose of marketing of services and products and to its investors.

18. Notices

Every notice, request, demand or other communication under this Agreement shall:

- a) be in writing, delivered by hand, or by registered post / Speed post, acknowledgement due, or by Courier or any other mode as decided by the Lender;
- b) be deemed to have been received when delivered by hand, at the time so delivered if during business hours on a business day for the recipient, and if given by registered post acknowledgement due, 72 hours after it has been put into post; and
- c) be sent to the Borrower to the address mentioned in Schedule I hereto and to the Lender at its office address mentioned in Schedule I hereto, or to such other address as either party may in writing hereafter notify to the other party.
- d) The Lender may (but not obliged to) send short message services (sms) to the Borrower intimating him on the dues payable by him and may call the Borrower and / or the guarantor to pay any dues that is outstanding under the agreement.
- e) The Borrower hereby agrees to pay the postal and other charges as mentioned in Schedule III here to for each of the notices being sent to him / them.

The Borrower and the Guarantor(s) have read the entire Agreement, constituting the above clauses including the Loan details and the terms of repayment, the fees and charges payable as clearly enumerated in the schedules to this Agreement. The Borrower and the Guarantor(s) further confirm that the entire Agreement is filled in their presence and that the contents provided herein is explained in the language understood by the Borrower and the Guarantor(s). The Borrower and the Guarantor(s) further confirms having executed and received a copy of the Agreement and agrees to remit the dues in terms of the Schedule hereunder.

For **SHRIRAM CITY UNION FINANCE LIMITED**

Authorised Signatory
(Lender)

(Borrower)

(Guarantor(s))