

LEGAL NOTICE

Ref. No. : EHV1553763VEFCEC12

Date: 10-Jul-2023

1. Name of Borrower

Address – _____
Email – customercare@ugrocapital.com

2. Name of Co-Borrower

Address – _____
Email – customercare@ugrocapital.com

3. Name of Co-Borrower

Address – _____
Email – customercare@ugrocapital.com

(Hereinafter collectively referred to as the “Borrowers”)

Ref: Loan Account Number(s) # _____
Sub: Non-submission of original Tax Invoice(s) pertaining to the Hypothecated Asset(s).

Madam/Sir,

Our client, **U GRO Capital Limited**, a company incorporated under the provisions of the Companies Act, 1956 and a non-banking financial company registered with Reserve Bank of India, having its registered office at Equinox Business Park, Tower 3, 4th Floor, Off BKC, LBS Road, Kurla, Mumbai – 400070, is engaged in the business of providing various types of financial assistance to the borrowers and write to address the Borrowers as under:

1. That, based on the representations by the Borrowers, our client acceded the request and sanctioned the loan facility vide Loan Cum Hypothecation Agreement [hereinafter referred to “**Loan Facility**”] after considering the financial standing of the Borrowers as per details hereunder. On executing the Loan application and other facility documents as applicable to the loan including hypothecation documents and other necessary documents (hereinafter referred to “**Facility Documents**”), our client sanctioned and disbursed the said Loan Facility as per the request of the Borrowers. It needs no reminding that as per the terms & conditions stipulated under the Facility Documents as executed by the Borrowers, the Loan Facility was to be repaid by the Borrowers in accordance with the set repayment schedule.

Loan Number	Sanction Date	Loan Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. That, the Borrowers further hypothecated the following equipment(s)/machine(s) [hereinafter referred to as the “**Hypothecated Asset(s)**”] in order to secure the repayment of the aforesaid Loan Facility:

Description of the Hypothecated Asset(s):

Sr. No.	Make	Model/ Specification(s)	Serial Number
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

3. That, as per the terms of Sanction of the Loan Facility, the Borrowers agreed, acknowledged and undertook to submit to our client, the Original Tax Invoice(s) of the said Hypothecated Asset(s) within 10 days of delivery of the Hypothecated Asset(s) or within 30 days from the date of disbursement whichever is earlier. The Borrowers further agreed that failure of submission of Original Tax Invoice(s) will attract a penalty of 1% per month.
4. That, the attention of the Borrowers is drawn to Clause 3.1 of the Loan Cum Hypothecation Agreement, which also mentions that Borrowers shall ensure that the original Tax Invoice of aforesaid Hypothecated Asset(s) shall be in the custody and possession of our client, which reads as under:

“3.1 The Borrower(s) shall ensure that the invoices / bills of any & all Hypothecated Equipment clearly & distinctly mention ‘hypothecation in favor of UGRO’ and that the original of such invoices / bills are in the custody & possession of UGRO at first instance.”

5. That, our client states that the Borrowers have not submitted the Original Tax Invoice(s) in respect of the said Hypothecated Asset(s) till date, which amounts to breach of terms as per Clause 7.1 (ii) of the Loan Cum Hypothecation Agreement and shall constitute an event of default in terms of Clause 4.1 (g) of the Loan Cum Hypothecation Agreement, consequent to which our client shall be entitled to not only recall the entire loan but also to take possession of the Hypothecated Asset(s) and sell the same.

In view of the above, we hereby call upon the Borrowers to forthwith submit all Original Tax Invoice(s) for the aforesaid Hypothecated Asset(s) to our client directly, failing which our client shall be constrained to take all steps in terms of the Loan cum Hypothecation Agreement and in accordance with law.

Without prejudice to the rights and contentions of our client in this matter, if the Borrower(s) are willing to comply with this notice, the Borrowers may contact the nearest branch office of our client or contact Mr. _____, who is the authorised representative of our client at Mob. No. _____.

Advocate