

LOAN AGREEMENT

This loan agreement ("Loan Agreement") is made at Hyderabad on this date _____ between

THE UNDERSIGNED:

Maanaveeya Development & Finance Private Limited, a Company within the meaning of the Companies Act, 2013 and a non-banking finance company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and having its Registered Office at Prashanthi Towers, 4th Floor, H. No. 8-2-293/82/564 A 43, Road No. 92, Jubilee Hills, Hyderabad, Telangana 500034, India, represented by its CFO, Mr. Ram Babu and its Head - SME,RE & AGRI, Ms. C Rajeswari of ONE PART;

(Hereinafter to be called "**Maanaveeya**" or "the **Lender**", which expression, unless it is repugnant to the context or meaning thereof, shall include its administrators, executors, successors, and assignees),

AND

LENDINGKART FINANCE LIMITED, a Company registered under Companies Act 1956/ 2013 and a non-banking finance company as per the certificate issued by the Reserve Bank of India and having its registered office at 401 4th Floor, Iconic Shyamal, Near Shyamal Cross-Roads, Manekbag, Ahmedabad, Gujarat, India, 380015, , India, represented by its _____ as per the Borrowing Committee Resolution of the Company dated 15 December 2023. Other Party, (hereinafter to be called "LFL" or "the **Borrower**", which expression shall include, unless it be repugnant to the context or meaning thereof, its administrators, executors, successors, and assignees);

State that

WHEREAS:

(a) It is the policy of Maanaveeya to make loans available, on appropriate terms, to projects promoting the self-reliance of the poor, and

(b) The Borrower is an enterprise of the aforementioned type and requires funds to on-lending to Micro, Small and Medium Enterprises borrowers of LFL. (hereinafter referred to as **"the Project"**), the List of prohibited activities for utilisation of the loan amount is annexed at Annexure-1.

HAVE AGREED AS FOLLOWS:

1. THE LOAN

Subject to and upon terms and conditions as laid down in "Maanaveeya's General Conditions Applicable to Loan Agreements with Financial Intermediaries" dated May 1, 2015 (Annexure-2) (hereinafter to be called the **"General Conditions"**), which General Conditions, signed by Maanaveeya and the Borrower on _____ are deemed to be an integral part of this Loan Agreement and are binding upon the parties, and as set forth herein, Maanaveeya agrees to make available to the Borrower for the Project a loan of INR **500,000,000 (Five hundred Million Indian Rupees) for a period of 30 (Thirty) months** (hereinafter referred to as the **"Loan"**). The Loan will be used exclusively for the Project.

The Borrower has also executed, DPN, Hypothecation Deed and the Guarantee (as may be applicable) and/or security documents creating, perfecting or in relation to a security in favour of Maanaveeya, and any other agreement, document, deed, declaration, undertaking or any other instrument or declaration, entered into pursuant to the Loan Agreement with, in favour of Maanaveeya and any other documents related thereto are collectively referred to as the **"Finance Documents"**. Any of the Finance Documents, from time to time, may be amended, restated, or supplemented by Maanaveeya and the Borrower. The terms of the General Conditions are deemed to be incorporated by reference herein.

2. INTEREST

The interest rate will be floating rate linked to T-bill rate published by FBIL to be reset quarterly. Interest rate shall be a sum of benchmark rate plus a fixed spread. For example, 7.00% + 6.00% = 13% where 7.00% is the T Bill for three month as on 4th December 2023. The spread is fixed with reference to the prevalent T Bill rate on date of approval. The spread is fixed with reference to the prevalent T Bill rate on date of approval. Floor rate shall be 13% per annum during the tenor of the facility. The Benchmark rate shall be the 3 (three) months T-Bill rate published by FBIL on closing of the business day prior to every Interest reset date. In the event this Benchmark rate is discontinued, the Lender will intimate the revised applicable benchmark rate, which closely resembles the existing Benchmark rate. The first interest rate shall be fixed with reference

to the prevalent T Bill rate on date of the loan disbursement and subsequently the floating interest rate shall be reset at quarterly intervals during the Tenor of the Facility. In the event that an Interest reset day is not a business day then interest reset will take place on the previous business day. The first interest payment will be due one month after the date of loan disbursement. Thereafter, interest payments will be paid on monthly basis. Spread of 6% shall be protected and confirmed.

The first interest payment will be due 1 one months after the first disbursement and thereafter interest payments will be due every month until the full repayment of the Loan. For the avoidance of doubt, it is hereby agreed that for the interest rate calculation, a leap year has 366 days and non-leap years have 365 days.

- (a) All payments of interest shall be made net, clear of any deductions (if applicable law requires the Borrower to make a deduction, the amount of the payment due will be increased to an amount which, after making the deduction, leaves an amount equal to the payment which would have been due if no such deduction had been required) such as deductions for withholding tax and/or any other taxes, charges, levies or imposts deductible under the law of India, which charges shall be for the cost and account of the Borrower.

The default interest/additional interest payable by the Borrower in terms of the General Conditions shall be over and above the applicable interest payable by the Borrower under this Clause.

In addition to the conditions in relation to prepayment/ advanced repayment contained in the General Conditions, the Borrower hereby agrees that Maanaveeya may at its absolute discretion permit prepayment of the Loan or any part thereof where: (a) the Borrower serves at least 15 days' written notice of its/ his intention to prepay at the concerned branch; and (b) subject to such conditions as specified from time to time by Maanaveeya subject to applicable law and regulations, including payment of the prepayment charges together with taxes. In case the Loan is allowed to be pre-closed at the request of the Borrower and at the absolute discretion of Maanaveeya and pre-closure shall take effect only when entire outstanding amounts payable by the Borrower has been paid to and realized by Maanaveeya.

If the Borrower makes any prepayment without fulfilling the afore stated conditions, Maanaveeya shall be entitled to appropriate the same in such manner as it deems fit and credit for the same shall only be given only on or after the date(s) on which any outstanding amounts including the principal amounts of the Loan, interest and/or any other monies, fall due for payment to Maanaveeya or demanded by Maanaveeya in accordance with this Agreement and/or the other Finance Documents.

3. DISBURSALS

Subject to the completion to the satisfaction of Maanaveeya of the conditions precedent set out in the General Conditions, the Loan will be disbursed in a single tranche of INR 500,000,000 (Five hundred Million Indian Rupees). The loan will be disbursed immediately after the execution of the legal documentation for availing of the Loan to the satisfaction of Maanaveeya, the receipt of the duly executed security documents and the arrangement fee.

In addition to the conditions precedent mentioned in the General Conditions, the conditions required to be fulfilled by the Borrower before the disbursement of the Loan or any part thereof (unless any of them are waived by Maanaveeya in its sole discretion) are as follows:

- (i) Creation and perfection of security in favour of Maanaveeya;
- (ii) Creation and registration of charge in favour of Maanaveeya;
- (iii) Deposit of PDCs, NACH mandate in favour of Maanaveeya;
- (iv) Receipt of arrangement fee of **0.25% (Zero point five percent)** plus applicable taxes of the loan amount;
- (v) Receipt of an undertaking from BORROWER that the loan portfolio will be hypothecated in favour of Maanaveeya within 60 (sixty) days from the date of the disbursement providing proof that the loan portfolio has been created out of the Maanaveeya loan and furnishes list of loans hypothecated to Maanaveeya along with a certificate from their auditors stating that the loan portfolio offered to Maanaveeya is free from all encumbrances;
- (vi) Receipt of an undertaking from BORROWER that the loan utilization audited certificate will be provided to Maanaveeya within 60 (sixty) days from the date of disbursement.
- (vii) Execution of all documents such as guarantee, security documents in favour of Maanaveeya (as applicable); and
- (viii) Submission of necessary constitutional documents, necessary certificates, NOCs, approvals etc.

Notwithstanding anything to the contrary contained herein or in any other document, the Borrower hereby agrees that it shall be the sole discretion of Maanaveeya whether to disburse the Loan or not.

3.1 Drawdown Schedule:

The Parties agree that in compliance with the requirements of the RBI Circular reference DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 (as amended from time to time),

the exact due dates for repayment of a loan, frequency of repayment, breakup between principal and interest, , etc. are dynamic in nature and shall be determined at the time of first tranche drawdown. Drawdown shall be accompanied by a transactional Loan drawdown/rollover letter. Parties agree that such transactional Loan drawdown letter shall be read along and construed to form an integral part of this Agreement, without the need for any further amendments/modifications to this Agreement.

Notwithstanding anything to the contrary contained herein or in any other document, the Borrower hereby agrees that it shall be the sole discretion of Maanaveeya whether to disburse the Loan or not.

4. REPAYMENT.

The Borrower agrees and undertakes to repay the Loan as per the following understanding:

The loan will be repaid in 27 monthly instalments. First 26 instalments will be of INR 18518000/- each. The last and 27th instalment will be of INR 18532000/-. The first instalment will be due from 4th (four) month from the date of first disbursement. Thereafter principal instalments will be paid on monthly basis.

The total loan will be repaid within 30 (Thirty) months of the release i.e., 3 (three) months of moratorium and 27 (Twenty Seven) months of repayment.

All payments of principal amounts shall be made net, clear of any deductions (if applicable law requires the Borrower to make a deduction, the amount of the payment due will be increased to an amount which, after making the deduction, leaves an amount equal to the payment which would have been due if no such deduction had been required) such as deductions for withholding tax and/or any other taxes, charges, levies or imposts deductible under the laws of India, which charges shall be for the cost and account of the Borrower.

If any due date for repayment of the principal or payment of interest under the Loan falls on a day on which the banks are not generally open for business in Hyderabad and/or Mumbai such payment shall be made on the preceding day on which the banks are open and working.

All amounts payable by the Borrower to Maanaveeya under and pursuant to this Loan Agreement including payment of interest, repayment of principal, etc, shall be made at such place as may be specified by Maanaveeya.

Notwithstanding anything contained herein or in any other document including the General Conditions, any payment or recoveries when received by Maanaveeya shall be appropriated towards the following heads in the following order of priority viz.: (i) Firstly towards default interest/ additional interest, if any and interest on the Loan; (ii) then towards prepayment premium/charges and taxes thereon, if any; (iii) then, towards interest on costs, charges,

expenses, and other monies, and on taxes incurred by Maanaveeya; (iv) then, towards taxes, costs, charges, expenses and other monies including towards any preservation and maintenance of any of Borrower's assets incurred by Maanaveeya and the taxes if any on any reimbursements/deemed reimbursements thereof; (v) then, towards repayment of principal amount of the Loan including installments, if any; (vi) then, towards other indebtedness of the Borrower to Maanaveeya. Provided that, Maanaveeya may however change the aforesaid order in its sole discretion and appropriate any payment in any manner and in any order of priority as it deems fit.

5. ADDITIONAL CONDITIONS

5.1 Fees and costs and taxes

The Borrower acknowledges and understands that Zero point five% (12,50,000 percent) of the Loan Amount plus applicable taxes of the loan amount, amounting to INR 12,50,000 (One million two hundred fifty thousand Indian Rupees), is payable to Maanaveeya as an arrangement fee to cover its administrative and legal expenses. The Borrower acknowledges that the above-mentioned amount has to be paid to Maanaveeya prior to the signing of this agreement/the disbursement.

In addition, Borrower will be responsible for paying the costs including government registration charges, stamp duty and taxes including applicable Goods and Services Tax (GST), of hypothecating or pledging the mortgages or other guarantees listed in this Loan Agreement. Any tax that arises in relation to this Loan or the payments of principal or interest will be for the account of the Borrower. In addition to the costs, charges and expenses as mentioned in Article 5 of the General Conditions, the following costs, charges and expenses shall also be borne and paid by the Borrower or, if Maanaveeya has paid such costs, charges or expenses, reimbursed to Maanaveeya by the Borrower:

- (i) fees, commissions, premia, etc. including the upfront processing fee, the commitment charges (in relation to utilisation of the Loan) as may be specified by Maanaveeya from time to time, together with taxes thereon, and within such time as may be required by Maanaveeya; and
- (ii) all the costs, expenses, charges, fees, etc. in relation to anything done or to be done pursuant to the Finance Documents and/or to protect Maanaveeya's interests, including in relation to the title investigations, any certifications, perfection, preservation, valuation, enforcement of security, possession, sale, auction, private treaties of the security, receivers and all costs and expenses incurred for insuring the security or any other assets of the Borrower together with all the taxes thereon.

All taxes as above as also in relation to any transaction (including on payment of interest/default interest, any other fees, costs, charges, expenses, premia) pursuant to the Finance Documents, including interest tax, if any, and whether in law payable by/chargeable to

Borrower or to Maanaveeya or any other person, whether applicable now or in future, shall be to the account of, borne and paid solely and entirely by the Borrower in addition to and over and above any payments/reimbursements to Maanaveeya together with the taxes on reimbursements, if any, and accordingly all the payments and reimbursements to Maanaveeya shall be exclusive of any taxes.

In case any input tax credit, refund or other benefit is denied or delayed to Maanaveeya due to any non-compliance by the Borrower or due to non-furnishing or furnishing of incorrect or incomplete documents by the Borrower, the Borrower shall reimburse Maanaveeya the loss caused to Maanaveeya in this regard including, but not limited to, the tax loss, interest and penalty. The applicable taxes including GST and cess/surcharge, if any, on such reimbursement itself shall also be payable by the Borrower.

5.2 Publication of information and Disclosure

In consideration of Maanaveeya providing this Loan, the Borrower hereby consents that Maanaveeya may use the Borrower's name and other related information about the Borrower and the Loan in Maanaveeya's or its affiliates/assignees/ co-lenders/holding entity's publications and on the internet, in whatever manner Maanaveeya deems appropriate to further its mission. Upon Maanaveeya's request, the Borrower will also provide stories and photos of the Borrower's clients, which Maanaveeya or its holding entity may publish in accordance with this clause.

Maanaveeya may disclose to any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation any information about the Borrower and the Loan as Maanaveeya may consider necessary. Maanaveeya will, as it may deem appropriate and necessary, be also entitled to disclose all or any such:

- (a) information and data relating to the Borrower;
- (b) default, if any, committed by the Borrower in discharge of the aforesaid obligations, to credit information companies (CICs) or any other agency authorized in this behalf by RBI, or any other creditor of the Borrower, any other governmental Authority/regulatory/statutory or private agency/entity, credit bureau, RBI, rating agencies, information utilities or other entities under IBC, service providers, other banks / financial institutions, any third parties, any assignees/potential assignees or transferees, any Central KYC Registry or any agency or entity authorised in this regard under applicable law, who may need the information and may process the information, publish in such manner and through such medium as may be deemed necessary by the publisher/Maanaveeya/ RBI, for the regulatory purposes and/or for or towards protecting the interests of Maanaveeya as a lender. In this regard, the Borrower hereby agrees and gives its consent to the disclosure by Maanaveeya of all or any such: (i) information and data relating to the Borrower and its directors; (ii) the information or data relating to the Borrower's

obligations under any loan granted/to be granted by Maanaveeya and any security provided by it to secure such facility; and (iii) information or data relating to the default, if any, committed by the Borrower, as Maanaveeya may deem appropriate and necessary to disclose and furnish to the credit information companies (CICs) and/ or any other agency authorized in this behalf by RBI or any other authority. Credit information companies (CICs) and any other agency so authorised may use or process the aforesaid information and data disclosed by Maanaveeya in the manner as deemed fit by them and may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/ financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf.

The Borrower hereby agrees that in case it commits a default in payment of any amount due and payable under the Loan Agreement, Maanaveeya and/ or the RBI or any credit information company or any other entity(ies) specified by law/ RBI in this regard from time to time shall have an unqualified right to disclose or publish the details of the default and the name of the Borrower and its directors as defaulters in such manner and through such medium as the Lenders or RBI or such credit information company or such other entity(ies) in their absolute discretion may think fit.

The Borrower consents and agrees that Maanaveeya shall have the right to not return the application, the photographs, information and documents submitted. Without prejudice to the generality of the above, Maanaveeya shall have the right to publish including to public at large the photographs of the Borrowers and/ or its promoters, directors, partners, etc. in or through any media including newspapers, journals, magazines, websites, etc. as Maanaveeya may deem fit, in case of occurrence of any event of default. The Borrower acknowledges that this, being necessary to preserve and protect the rights and interests of Maanaveeya, will not amount to any defamation, or violation of any privacy rights of the persons concerned in this regard and that the Borrower has obtained and shall from time to time obtain confirmation to this effect from each of those persons.

The Borrower hereby consents to and authorises Maanaveeya (acting through any of its officers, representatives, systems) to, without notice to the Borrower(s), access, use, store, reproduce, disclose to any person any part of the information and data including the personal data and sensitive information of the Borrower and information and data pertaining to any other person, any KYC data or information, as furnished by the Borrower as part of or pursuant to the application or other Finance Documents including under any of the documents or copies thereof submitted to Maanaveeya, for the purposes of data/information verification, appraisal, credit risk analysis, reporting, assessing track record, or for establishing

contact with the Borrower or for the purpose of recovery of dues from the Borrower, cross-selling of products and services by Maanaveeya or any other legitimate purpose in the opinion of Maanaveeya, including where any such verification, access, analysis, assessment etc. is from or through or to any persons, other banks/finance entities, credit bureaus, credit information companies, Borrower's employer/family members/ officers/ directors/ partners/ promoters/ proprietors/ owners, other sources, whether official, governmental, public, private, web-based, electronic, personal, etc. and whether it requires or results in access of further information or data including on or through any electronic platforms, websites, portals, etc. and where so required, for the aforesaid purposes to act for and on behalf of and/or in the name of the Borrower (including for access, authentication, log-in, password, etc.), and to use and disclose, without notice to the Borrower(s), for any of the aforesaid purposes, any such data and information or any part thereof to any of the authorities, agencies, persons, websites, portals, service providers, Maanaveeya's other branches/ subsidiaries/ affiliates, credit information companies (CICs) /information utilities/ rating agencies/ service providers, banks/ financial institutions, governmental authority/regulatory authorities or third parties, as also to access, preserve, store, use any furnished/accessed information/data including any further information/data.

Further, the Borrower also authorises Maanaveeya to engage service providers for any of the aforesaid purposes and/or share any of aforesaid information with such service providers for any of the aforesaid purposes.

5.3 Security

As an additional condition precedent to the disbursement of the loan as set out in article 2 of the General Conditions, as security for the due and timely fulfilment, performance of the obligations including but not limiting to the repayment of the loan and payment of interest and all other amounts agreed to be disbursed to BORROWER under this Commitment Letter, this Loan Agreement and all other related documents and the security documents and including for the repayment of the Loan and payment of interest and all other amounts due by the Borrower under any extensions of or amendments to the subsequent Loan Agreements, BORROWER shall create in favour of Maanaveeya:

- (i) Enforceable Promissory Notes issued by BORROWER to Maanaveeya covering 100% of the total amount of capital and interest outstanding at all times.
- (ii) The loan will to be secured by executing a Deed of Hypothecation for creating **a First rank & an exclusive charge** on the book debts of the BORROWER in favour of Maanaveeya on the portfolio of Grade A loans that BORROWER has extended to its customers, with a constant value to be maintained of at least **110% (One hundred and ten percent)** of the outstanding Loan amount

plus interest due at all times. Grade A Loans are of the highest quality and current in their payments during the tenure of the Loan. Within **60 (sixty) days** of the disbursement, BORROWER will give Maanaveeya a list of the Loans endorsed over to Maanaveeya. Within **60 (sixty) days** of the disbursement, BORROWER will give a certificate from their Auditors stating that the loan portfolio offered to Maanaveeya is free from all encumbrances. The list will state the name of borrower, the date of the Loan, the amount of the loan, the guarantees provided by the Borrower and the final repayment due date of the loan.

BORROWER shall submit CA certified list of books debts for the period ended September and management certified list of book debts for the period ended March.

Every six months, BORROWER will give Maanaveeya a new, updated list of the hypothecated and endorsed loans that meets these requirements. Upon request by Maanaveeya, BORROWER will deliver the endorsed loan papers to Maanaveeya without objection.

- (iii) BORROWER shall provide Corporate Guarantees issued by M/s. Lendingkart Technologies Pvt , guaranteeing repayment by the Borrower.
- (iv) LFL shall submit 10 post-dated cheques, 9 post dated cheques towards the repayment of the principal amount for cumulative instalment for every quarter and one for total interest that shall become due and payable in advance.

If BORROWER fails to satisfy the terms of this paragraph, BORROWER will be deemed to have been defaulted the terms of this Loan Agreement as though it had missed a payment due and the other security documents executed or to be executed to secure the Loan and shall be enforceable as though the Borrower had defaulted in the repayment of amounts due hereunder.

Notwithstanding anything contained in the Loan Agreement and the General Conditions, the securities provided in favour of Maanaveeya shall cover (i) the indebtedness created by the Loan Agreement, as well as (ii) any revisions to the terms of the Loan Agreement and (iii) any past or future loan agreement(s) between Maanaveeya and the Borrower.

Further, the Borrower hereby agrees that the Borrower shall furnish and cause to be furnished at its/his own cost such other security/ additional security and margin of such value, in such form and manner as may be required by Maanaveeya from time to time,

including on account of any shortfall in the required value or margin of the security in the opinion of Maanaveeya for any reason whatsoever or otherwise.

5.4 **Covenants**

(a) **Financial Covenants:**

The Borrower undertakes to ensure that the following financial parameters in relation to Manaveeya shall be maintained throughout the tenure of the Loan:

- Operational Self Sufficiency (OSS) Ratio to be more than 100%
- The Portfolio at Risk (PAR) over 90 (ninety) days (including re-scheduled loans) of LFL's total AUM (on-book and managed book), shall be less than 5.0%
- The capital adequacy ratio (CAR) to be at a minimum of 15%.
- Minimum financial rating of ICRA BBB- (long term bank facilities) is to be maintained
- Risk coverage ratio (RCR) over 90 (ninety) days of LFL's total gross loan portfolio including managed book shall be above 100%.

b) **SOCIAL COVENANTS:**

- Borrower to submit one time employment generation report (EGR) to Maanaveeya on the employment generated through their lending to the clients from Maanaveeya funding, This will be based on headcounts capturing data on full time and part-time job creation. Report to be submitted within 60 (sixty) days of the disbursement.
- The Borrower shall also provide a onetime bifurcation of men/women entrepreneurs /other entities to Maanaveeya along with the EGR report

The Borrower shall also provide a onetime bifurcation of men/women entrepreneurs /other entities to Maanaveeya along with the EGR report.

Other conditions

- LFL shall submit CA certified list of books debts for the half year ending September every year, to be submitted within 45 days from the reporting period

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- Further, LFL shall submit the list of book debts certified by the management for the period ending March every year, to be submitted within 45 days from the reporting period
- Submission of ALM statement on a half yearly basis, to be submitted within 45 days from the reporting period.
- Borrower to submit Quarterly KPIs (Key Performance Indicators), within 45 days from the reporting period.

Legal fee/Cancellation fee/ Amendment Fee and waivers: Borrower shall pay an additional service fee in case of any request for cancellations /changes/ amendments to the contract terms/ approval conditions. These charges/ fees shall be levied as per the sole discretion of Maanaveeya with prior intimation to the Borrower as per extant guidelines, upon receiving any such additional service request from the Borrower.

5.5 Representations and Warranties

The Borrower hereby represents and warrants to Maanaveeya that:

- (i) the individual(s) who sign this Loan Agreement on behalf of the Borrower are duly authorized by and on behalf of the Borrower including by way of complete corporate action to enter into this agreement and to bind the Borrower to it. The Borrower has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the documents in relation to the Loan Agreement and any other related document thereto to which it is a party and the transactions contemplated by those documents;
- (ii) the Borrower is a corporation, duly incorporated and validly existing under the laws of its jurisdiction of incorporation and carry on its business as it is being conducted including registration with Reserve Bank of India (if applicable);
- (iii) the obligations expressed to be assumed by the Borrower in this Loan Agreement and the other security documents proposed to be entered into in relation to the Loan to which it is a party are legal, valid, binding and enforceable obligations;
- (iv) the execution, delivery, entry into and performance by the Borrower of the Loan Agreement and the transactions contemplated by this Loan Agreement and the other security documents proposed to be entered into in relation to the Loan to which it is a party, do not conflict with /breach / or cause a default under any law or regulation applicable to the Borrower or its

constitutional documents or any agreement or instrument binding upon it or any of its assets or any other legal restriction (including, any judgment, order, injunction, decree or ruling of any court or authority) or any instrument by which the Borrower or any of its property is/ will be bound;

- (v) no other event or circumstance is outstanding which constitutes a default under any agreement or instrument which is binding on the Borrower or to which its assets are subject, where such default has a material adverse effect;
- (vi) all information provided by the Borrower to Maanaveeya is true, complete and accurate in all respects as at the date it was given and is not misleading in any respect;
- (vii) no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency has been started or threatened against it which, if adversely determined, has a material adverse effect;
- (viii) the security created or proposed to be created to secure the Loan is valid and enforceable;
- (ix) all necessary and appropriate recordings and filings shall be made in all appropriate public offices, and all other necessary and appropriate action shall be taken so that each of the securities created is effective and perfected including to register the Loan Agreement, security interests created (if any) to secure the Loans and the amounts disbursed by Maanaveeya to the Borrower, at the Registrar of Companies, Central Registry of Securitisation Asset Reconstruction and Security Interests (CERSAI), relevant sub-registrar of assurances and/or at other registries, authorities, institutions/organisations in India which are registrations prescribed by law;
- (x) the execution or entering into by the Borrower of this Loan Agreement and its exercise of its rights and performance of its obligations under the related documents constitute private and commercial acts done and performed for private and commercial purposes;
- (xi) the Borrower is not required to obtain prior approval from any lenders or any government agency or any other person to enter into and perform its obligations under this Loan Agreement or any related documents to which it is a party;
- (xii) all loan documents have been and will be duly executed by the Borrower, and all representations and warranties of the Borrower set forth therein are and will be true, complete and correct in all respects at the time as of which such representations and warranties are made or deemed to be made;

(xiii) none of the following events have occurred in relation to the Borrower:

(a) filing of any application by any person against the Borrower or by the Borrower itself, before any forum under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") and/or such other applicable law (whether in existence/applicable now or may come in existence/become applicable later) which at any time deals with any insolvency, bankruptcy, liquidation, winding up, moratorium, dissolution, restructuring, reorganisation, rehabilitation or any analogous or similar action or proceedings in relation to the Borrower ("**Insolvency Laws**"), or passing of any resolution of directors or of members or declaration of partners, or any decision or recommendation of any authority, for the purposes of/towards recommending filing of any proceedings or application for initiation of insolvency resolution process or fast track resolution process or voluntary liquidation process or fresh start process or bankruptcy or any kind of insolvency/ resolution/ liquidation/ bankruptcy process, winding up, moratorium, dissolution, restructuring, reorganisation, rehabilitation or any analogous or similar action or proceedings, by whatever name called, in relation to the Borrower, whether any such action or proceedings are pursuant to the action or decision or recommendation of the Borrower, board of directors of the Borrower, shareholders, any creditors, or other stakeholders of the Borrower or any authority or any other person under the applicable law, and shall include any take over or change in management of the Borrower or any of its businesses or undertakings or assets by an authority;

(b) issuance of any demand notice by any of the creditors including the operational creditors under Section 8 of the IBC or any similar notice under any of the Insolvency Laws to the Borrower demanding the payment of amount involved in default as mentioned therein or threatening filing of any proceedings for initiation of the insolvency resolution process;

(c) any seizure, confiscation, attachment, acquisition, possession of the security or any part thereof or similar action or issuance of any notice therefor or any notice in the nature of garnishee issued by any of the authority(ies) in relation to the Borrower or any of its assets, or appointment of any receiver of custodian or any similar action in relation to the Borrower or any of its assets or part thereof;

(d) any action or event which shall trigger initiation of any moratorium or standstill of any nature, whether by statutory operation or otherwise under any applicable law, in relation to the Borrower or any of its assets. The events

specified in (a) to (d) of sub-clause (xiii) hereinabove shall be collectively referred to as “**Specified Events**”.

- (xiv) the books of accounts and financial statements of the Borrower reflect true, fair and accurate position including in relation to the liabilities, in every respect, and are in accordance with applicable law;
- (xv) Maanaveeya may require the Borrower to provide assistance and co-operation in relation to Foreign Account Tax Compliance Act (“**FATCA**”) compliance (including without limitation the provisions of the Income Tax Act, 1961 and the directions of RBI, from time to time), and in this regard hereby agree and undertake to extend full co-operation to Maanaveeya including, without limitation, by (i) furnishing such information, forms, records, reports, data which Maanaveeya may require in this regard, and (ii) permitting Maanaveeya to conduct such due diligence and/ or inspection exercises as Maanaveeya may deem fit in this connection;
- (xvi) all taxes have been paid by it fully, duly, timely and properly, including under the Income Tax Act, 1961 (“**IT Act**”) and there are no proceedings pending against or in relation to the Borrower, and there is and shall in future be, no claim in respect of any tax or any other sum payable by it as the assessee as a result of the completion of any proceeding under the IT Act, whether existing, past or in future; and there is and no notice has been given to the Borrower, by any authorities for, of or towards any tax or any other sum payable by it as the assessee whether as a result of the completion of any proceeding under the IT Act or otherwise or any claim in relation thereto. The Borrower confirms that for creation of any security in favour of/for the benefit of Maanaveeya, no approval under Section 281 of the IT Act of the relevant tax authority/ governmental authority thereunder is necessary and creation of security without such approval shall not be void or invalid as against any tax authority/ governmental authority or any other person; and if however such approval is required to be obtained then the same shall be obtained by the Borrower prior to creation of such security;
- (xvii) If the Borrower is a non-banking financial company (NBFC), the Borrower has maintained and complied with such capital adequacy ratio, capital to risk assets ratio (CRAR), and all requirements in terms of minimum net owned funds, minimum tier I capital, tier II capital, minimum qualifying assets and qualifying assets criteria, total net assets criteria, as and if applicable, and all other ratios and all other terms and conditions including the net worth requirements, net owned fund requirements, as prescribed by RBI in terms of the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank

Directions, 2016 and/or the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 and/or any other applicable directions, circulars, guidelines, notifications of the RBI (each as amended, modified or restated from time to time), as may be applicable and/or in terms of the license/certificate of registration granted to the Borrower and/or any other applicable circulars or guidelines and notifications of the RBI and as prescribed by the RBI from time to time.

The Borrower further warrants that each of the representations in this clause are true and correct in all respects as of the date of this Loan Agreement and that none of them omits to state any matter which makes any of such representations misleading in any respect.

The representations set out in this clause are made by the Borrower on the date of this Loan Agreement and unless a representation is expressed to be given at a specific date, each representation is deemed to be repeated by the Borrower on the date of each disbursement, interest payment due date and principal repayment due date. When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

In addition to the event(s) of default mentioned in the General Conditions, the happening or occurrence of any of the following events shall also constitute an Event of Default:

- 1) Failure to perform obligations under other finance documents;
- 2) Non-payment of the outstanding loan amounts, in full or part;
- 3) Security deterioration/ impairment and insufficiency of the security, depreciation in its value etc.;
- 4) Appointment of receiver, attachment of the security, distress in security, legal proceedings initiated in relation thereto;
- 5) Omission of creation of charge and performing the necessary filings with CERSAI, ROC.;
- 6) Borrower is carrying out business at a loss, and is declared as Insolvent as per the applicable laws;
- 7) Borrower is convicted under any criminal law;
- 8) Breach of any other agreement by the Borrower, failure of payment under any other indebtedness, invocation of guarantee or indemnity (if applicable) given by the Borrower or to the Borrower by another person, occurrence of event of default in any other document.
- 9) Occurrence of any insolvency, bankruptcy etc. related events in relation to any of the security providers.
- 10) Failure to deliver post-dated cheques or any other payment instructions or modes (if applicable);
- 11) Petition for winding up/ liquidation is filed by the Borrower itself/ against the Borrower;
- 12) Change without prior notice and seeking approval/ consent from the Lender in constitution of the Borrower, **change in the management**, ownership, amalgamation, merger, reconstruction. However such approval or consent from the Lender shall not be withheld or delayed unreasonably beyond 7 working days from the date of request; It is hereby clarified that the prior consent of the Lender shall not be required by the Borrower and/ or the Guarantor in case

Commented [KS4]: To add: Change in Management shall mean change in the Managing Director of the Borrower.

of Upwards Acquisition Transaction. Upwards Acquisition Transaction means the series of transactions proposes to be undertaken by the Borrower and/or the Guarantor in respect of purchase of the business of Upwards Capital Private Limited by the Issuer; and/or purchase of the business of Upwards Fintech Services Private Limited by Guarantor.

13) A Material Adverse Effect occurs in respect of or in relation to the Borrower or any security provider (if applicable) or any of their properties or assets. For the purpose of this clause the term "Material Adverse Effect" shall mean a material adverse effect on (a) the business, condition (financial or otherwise), operations, performance or assets of the Borrower taken as a whole; (b) the ability of the Borrower to perform its obligations under the Finance Documents; or (c) the legality, validity or enforceability of the whole or any material part of any Finance Document or any material rights or remedies of Maanaveeya under the Finance Documents, each as determined by Maanaveeya in its sole discretion.

If any event of default or any event which, after the notice or lapse of time or both would constitute an event of default shall have happened, the Borrower shall forthwith give Maanaveeya notice thereof in writing specifying such event of default, or such event. On the question whether any of the above events/circumstances has occurred/ happened, the decision of Maanaveeya shall be final, conclusive and binding on the Borrower.

5.6 Undertaking

1) The Borrower undertakes to do its utmost to service the Loan granted by Maanaveeya. The Borrower knows and realizes that Maanaveeya is a development finance institution which makes money available in the form of Loans on appropriate terms to under-privileged groups and that this work can only continue if every Borrower repays faithfully the amount received from Maanaveeya, in order to avoid any losses to Maanaveeya which will reduce Maanaveeya's and its holding entity's capability of helping other poor groups in other parts of the world.

2) Ecological impact. Maanaveeya stands for the integrity of creation, including the ecological environment. The Borrower commits to use best available practices to minimize any adverse environmental effects. The Borrower also commits to providing on a regular basis the results of the environmental indicators to be agreed with Maanaveeya.

3) Social effects. Maanaveeya stands for the alleviation of poverty, the improvement of living conditions for the community, and the empowerment of women. The Borrower commits that its work will further these objectives. The Borrower also commits to providing regular social impact indicators to be agreed with Maanaveeya.

4) Code of conduct. Maanaveeya and the Borrower agrees that they are required to maintain the integrity and transparency and opposes corruption in business dealings.

The Borrower commits that it will refrain from any action that violates this principle.

5) Client Protection Principles. To ensure protection of its clients, Borrower in its capacity as a provider of financial services agrees to comply with the following Client Protection Principles as mentioned under the Annexure-3 hereunder.

6) The Borrower hereby covenants to Maanaveeya that the Borrower shall forthwith inform Maanaveeya in the event of: (a) any representation or warranty being or becoming untrue or incorrect on any day or at any time; and/or (b) happening of any Event of Default; and/or (c) occurrence of Specified Event; (d) if any part of the Borrower's properties, business or undertakings and/or security, mentioned in Clause 5 (c) hereto, is / are attached or incurs any damage/ additions/ alterations; (e) if any other circumstance which may have an adverse impact on the security, mentioned in Clause 5 (c) hereto, and/or the repayment of the Loan by the Borrower.

7) Negative covenants. The Borrower hereby agrees and undertakes that the Borrower shall not:

(a) diversify, change or modify its line of business including outside licensed non-banking financial services (applicable if the Borrower is an NBFC);

(b) change its composition, constitution or legal status;

(c) enter into or perform any transaction other than in its ordinary course of business;

(d) undertake any of the following: (i) apply for a voluntary winding up or file an application against itself, before any forum under the IBC or any other Insolvency Laws, or pass any resolution of directors or of members or declaration of partners, for the purposes of/ towards/recommending filing of any proceedings or application for initiation of insolvency resolution process or fast track resolution process or fresh start process or bankruptcy or any kind of insolvency/resolution/liquidation/bankruptcy process by whatever name called in relation to itself; (ii) change its accounting policies;

(e) undertake or take any steps or actions whether internal or external which are aimed at or will lead to occurrence of any of the Specified Events; and/or

(f) induct into its board of directors a person whose name appears in the wilful defaulters list of RBI or any credit information company and take expeditious and effective steps for the removal of such a person, where he/ she is already a member of the board of directors.

8) The Borrower shall get each of the charges created by way of the security filed and

registered to the satisfaction of Maanaveeya in accordance with the provisions of applicable law including with the registrar of companies, Central Register of Securitisation Asset (CERSAI), etc, within the statutory time-limits therefor (without late fee) or within such time as required by Maanaveeya, whichever is earlier.

9) The Borrower expressly agrees and undertakes that the Borrower shall not use the Loan or any part thereof for siphoning off or divergence or on-lending or for making investment in the capital market or any speculative or illegal or anti-social purpose or immoral purpose or for any purpose for which non-banking finance companies are not allowed to lend under the applicable regulations.

10) The Borrower hereby undertakes to submit to Maanaveeya such information, reports, financial statements at such times as mentioned in the facility letter and if not mentioned therein then as may be required by Maanaveeya within such time as required by Maanaveeya from time to time in addition to the Borrower's annual financial statements to be furnished as on the respective dates of their approval by Borrower's shareholders.

5.7 Other terms

- (a) The Borrower hereby agrees that Maanaveeya shall be under no obligation to meet any further requirements of the Borrower on account of growth in its business, etc,
- (b) The Borrower hereby agrees that Maanaveeya may at its sole and absolute discretion change, reduce, extend and/or terminate the tenure of the Loan at any time.
- (c) The Borrower hereby agrees that the entire stamp duty and registration charges, if any on all the Finance Documents (in all jurisdictions and states including in case of deficit or differential stamp duty in case of movement of any of the Finance Documents or copies thereof from one state to another including for the purpose of enforcement), shall be solely borne and incurred by the Borrower.
- (d) Maanaveeya shall be entitled, at its sole discretion, to store, vault, keep, maintain any title deeds, related documents, papers, plans, maps, pledged goods, certificates, shares, securities, etc. submitted or deposited to Maanaveeya or to any person for and on behalf of Maanaveeya, by the Borrower or any other security provider or guarantor or any other person or anyone acting for them ("**Custody Items**"), at such place, at such facility and in such manner and on such terms, as Maanaveeya may deem fit, whether with/by Maanaveeya itself or with /through any service provider or custodian of Maanaveeya, and the Borrower, guarantors or security providers shall not have any objection to the same. In case of any loss to any of the Custody Items or any part thereof, at any time(s), due to any act of god, theft, robbery, any similar event, riot, loss in transit, accident, etc, or any event not

at the fault of Maanaveeya, Maanaveeya shall not be liable for any such loss or for recreation or any cost or compensation on account thereof or there-against or for any consequent or indirect or direct loss, to any person including the Borrower, guarantors or security providers.

- (e) The statement of accounts and computation of interest by Maanaveeya shall be conclusive proof of Borrower's liability to Maanaveeya and shall be final and binding on the Borrower except for any manifest error therein. The Borrower agrees to accept the statement of account sent by Maanaveeya or by any other authorized representative of the Maanaveeya as conclusive proof of the correctness of any sum shown or claimed to be due from the Borrower.
- (f) Lien, Specific Set-off, etc.:

Notwithstanding anything to the contrary in any of the Finance Documents or any other documents:

- (i) In respect of all and any of Borrower's, its affiliates', group entities', parent entities', associate entities', subsidiaries' (collectively "**Borrower Group Entities**"), present and future liabilities to Maanaveeya, its affiliates, group entities, associate entities, parent entities, subsidiaries, any of their branches (collectively "**Maanaveeya Entities**"), whether under this Loan or Finance Documents or under any other obligation / loan / facilities / borrowings / document, whether such liabilities are/be crystallised, actual or contingent, primary or collateral or several or jointly with others, whether in same currency or different currencies, whether as principal debtor and/or as guarantor and/or otherwise howsoever (collectively "**Liabilities**"), each of Maanaveeya and Maanaveeya Entities shall in addition to any general lien or similar right (to which any of them may be entitled by law, practice, custom or otherwise), have a specific and special lien on all the Borrower's and/or Borrower Group Entities' present and future deposits, stocks, shares, securities, property, assets, security interest, book debts, all moneys in all accounts whether current or other deposits, loan accounts, held with or under control of or deposited with or to the order of or in custody, legal or constructive, with Maanaveeya and/or any Maanaveeya Entities, now or in future, whether in same or different capacity of the Borrower/any of the Borrower Group Entities, and whether singly, severally or jointly with others, whether for any borrowing, financial relationship, safe custody, collection, or any other purpose, or otherwise, whether in same currency or different currencies, and together with all benefits and accrual thereon.
- (ii) Separately, each of Maanaveeya and Maanaveeya Entities shall have the specific lien and express right, without notice to and without consent of the

Borrower or any of the Borrower Group Entities, to set-off, transfer, sell, realize, adjust, appropriate all such amounts in all such accounts and deposits (whether prematurely or upon maturity as per Maanaveeya's discretion), securities, amounts, property, etc. as aforesaid (including benefits and accruals thereon), for the purpose of realizing or against any of dues or monies/liabilities outstanding in respect of any of the Liabilities whether earmarked for any particular Liability or not, to combine and/or consolidate all or any of accounts of any of the Borrower and the Borrower Group Entities including with different branches or different Maanaveeya Entities and set-off any such monies and/or assets, securities, amounts, property, etc. as aforesaid (including benefits and accruals thereon), whether such accounts are of same type or nature or not and whether held in same capacity or not including upon happening of any of the events of default mentioned in any of the documents pertaining to the respective Liabilities or upon any default in payment of any part of any of the Liabilities.

- (iii) Maanaveeya and Maanaveeya Entities shall be deemed to have and hold and continue to have first charge on any assets including any deposit on which Security has been/ will be created in respect of the Loan, as security also for any of the other Liabilities and all the rights and powers vested in Maanaveeya in terms of any security or charge created for the Loan shall be available to Maanaveeya and/or Maanaveeya Entities also in respect of such other Liabilities, irrespective of the fact whether the Loan is at any time outstanding, repaid or satisfied or not and even after the Loan has been repaid or prepaid.
- (iv) If any of the Borrower Group Entities have more than one agreement with or have availed any other facility from Maanaveeya of whatsoever kind and if in any of the contracts or agreements, they have committed any breach or default, then Maanaveeya has the right of lien and right to hold on to the security (as security for all such liabilities of the Borrower Group Entities/persons including under this and other agreements, and to act accordingly) of all the assets under all the agreements even if in any of the agreements, the Borrower has paid off all the dues and/or the assets have become free from any charge under such loan facility.
- (v) Maanaveeya has the exclusive right and sole discretion to appropriate all amounts received from the Borrower towards any of the agreements that any of the Borrower and Borrower Group Entities has entered into notwithstanding the instructions from any of them to Maanaveeya to appropriate the money to/against a particular agreement or liability thereunder.

- (vi) In the event of any third party, including any statutory authority or court of law asserting any rights over any of the deposits, monies, securities and assets placed with Maanaveeya, Maanaveeya shall be entitled to exercise its rights of lien and set-off in respect of the same and be required to provide to such third party only such deposits, monies, assets and securities placed with Maanaveeya as would be available after setting aside deposits, monies, assets and securities, etc. towards the said dues (Liabilities) of Maanaveeya whether any part of or all of the said dues are by then arisen, crystallised or not and whether actual or contingent.

5.8 Cross default clause

The Borrower affirms that the events of default are covered in the General Conditions, duly signed by it and forming part of this Loan Agreement. It is now further agreed that any default of this Loan Agreement will be deemed a default of all or any other agreement the Borrower has entered or may enter into in the future with Maanaveeya or its holding entity Oikocredit. Similarly, any default of all or any other agreement the Borrower has entered or may enter into in the future with Maanaveeya or its holding entity Oikocredit will be deemed a default under this agreement. Any event of default arising out of any agreement of the Borrower with any other lender or pursuant to any other borrowing of the Borrower from any other lender, shall notwithstanding anything to the contrary hereunder, constitute, without any further act, writing or deed, an event of default under this Loan Agreement.

5.9 Indemnities

The Borrower shall, within 15 (fifteen) Business Days of demand, indemnify Maanaveeya against any cost, loss or liability incurred by Maanaveeya as a result of:

- (a) the occurrence of any default under or breach of any of the terms of this Loan Agreement or any other related document thereto or if any event set out in Article 8 of the General Conditions occurs and occurrence of any of the Specified Events in relation to the Borrower (collectively, the "**Events of Default**");
- (b) the information produced or approved by the Borrower being or being alleged to be misleading and/or deceptive in any respect;
- (c) any enquiry, investigation, subpoena (or similar order) or litigation with respect to the Borrower, or with respect to the transactions contemplated or financed under this Loan Agreement;
- (d) funding, or making arrangements to fund, its participation in the Loan but not made by reason of the operation of any one or more of the provisions of this Loan Agreement;

- (e) the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower;
- (f) all losses, costs, etc. arising out of or related to the security proposed to be created to secure the Loan; and
- (g) any payments made by the Borrower not being free, clear of and/or without any deductions for present or future taxes, duties, imposts, withholdings or other deductions as required by law, in which case the Borrower will gross-up such payments for those taxes, duties, imposts, withholdings or deductions such that Maanaveeya receives the same amount had such taxes, duties, imposts, withholdings or deductions not been applicable.

5.10 Change in terms of the Loan

Maanaveeya shall not change any disbursement schedule, interest rate, default interest, prepayment charges etc. without providing prior written notice to the Borrower and no such change shall be made retrospectively.

5.11 Termination of Loan or Acceleration of Loan

If an Event of Default has occurred, Maanaveeya may, without prejudice to any rights that it may have and without necessity of any demand upon or notice to the Borrower, all of which are hereby expressly waived by the Borrower, take one or more of the following actions including but not limited to:

- (i) suspend further drawings under the Loan Agreement and/ or declare the Loan to be cancelled and/ or place the Loan on demand or declare all amounts payable by the Borrower in respect of the Loan to be due and payable immediately;
- (ii) sue for creditors' process;
- (iii) hold any amount received from the Borrower in respect of any contingent liability, to the intent that any such amount may be applied to discharge the Borrower's obligations under the Loan Agreement or any other related document thereto (collectively, the "**Finance Documents**"). Such amounts will not be repayable until all obligations of the Borrower under the Finance Documents are completely discharged to the satisfaction of Maanaveeya;
- (iv) declare that any amount outstanding under or in relation to the Loan (whether principal, interest or other sum and whether or not then due) be immediately payable on demand within the time period specified by Maanaveeya;

- (v) exercise such other rights as may be available to Maanaveeya under applicable law or any other Finance Document;
- (vi) enforce the security or any part thereof, including by selling, transferring or disposing off the assets/ some or any part thereof either by means of private treaty or public auction or otherwise, with or without the intervention of any court/ tribunal at the sole discretion of Maanaveeya; and/or
- (vii) exercise any of the rights/remedies available to Maanaveeya under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, the rules, regulations and guidelines thereunder, and as may be amended, re-enacted, replaced, re-titled, from time to time ("SARFAESI Act") and/or the shall mean the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, the rules and regulations thereunder, and as may be amended, re-enacted, replaced, re-titled, from time to time ("DRT Act") (if applicable) and/or the Insolvency Law, in accordance with the provisions thereof, as against the Borrower or any other person or any of its assets.

On intimation of, or on service of any such notice of, cancellation or repudiation of the Loan pursuant to this Clause i., the Loan will become due and repayable by the Borrower to Maanaveeya along with all amounts, costs, charges, interest, default interest, fees etc. on the date specified by Maanaveeya for such repayment. The intimation of, or service of, cancellation or repudiation by Maanaveeya to the Borrower is final, non-negotiable, and binding on the Borrower. Any cancellation or repudiation will not affect the validity of any Finance Document or discharge the liability of any party (other than Maanaveeya) to the Finance Document, including without limitation, any security created pursuant to the Finance Documents (if any).

Notwithstanding anything to the contrary contained in the Finance Documents: (a) in the event of occurrence of any of the Specified Events, Maanaveeya shall not be liable to give any prior notice to the Borrower or any other persons for recalling the outstanding Loan amount and/or for exercise of any other rights/remedies; (b) even if any of the Finance Documents provides for cure period to the Borrower in relation to any Events of Defaults, such cure period shall not be available to the Borrower in the event of occurrence of any of the Specified Events.

Notwithstanding anything to the contrary in the Finance Documents, all the rights and remedies of Maanaveeya hereunder and thereunder and/or under applicable law including against the Borrower and/or its properties, are and shall be without prejudice to each other and further, notwithstanding any particular/specific consequences being provided for any of the breaches of any of the terms of the Finance Documents including by any of the security providers, such consequences shall not prejudice any other rights and/or remedies that Maanaveeya may have in relation to the breach, including against any of the security providers and/or their properties, whether under contract, general law, SARFAESI Act, IBC, Insolvency Laws or otherwise.

5.12 Choice of law

- (a) This Loan Agreement and all related documents will be governed by the laws of India and any dispute arising out of this Loan Agreement shall be referred to arbitration under the (Indian) Arbitration and Conciliation Act, 1996. The Arbitrator shall be appointed by Maanaveeya. The place of Arbitration will be at Hyderabad, India only and the Arbitrator's Award will be final and binding on both parties.
- (b) Arbitration
 - (i). Subject to sub-clauses (c), (d) and (e) below, any dispute arising out of this Agreement shall be submitted to arbitration in accordance with the Arbitration and Conciliation Act, 1996, and shall be arbitrated by a sole arbitrator. Such sole arbitrator shall be appointed by Mumbai Centre for International Arbitration (MCIA) as per the Arbitration Rules of Mumbai Centre for International Arbitration (MCIA), who is hereby authorised by both the Parties and no separate authorisation or request to Mumbai Centre for International Arbitration (MCIA) shall be required in this regard. Maanaveeya is authorised to co-ordinate and communicate on behalf of both the Parties with Mumbai Centre for International Arbitration (MCIA), for (on behalf of both the Parties) requesting and effecting such appointment including in the event of replacement, if any.
 - (ii). The place of arbitration shall be the same as the Place of Jurisdiction or at any other place at the discretion of Maanaveeya and the arbitration shall be conducted in English. The arbitration award shall be final and binding on the Parties, and enforceable in accordance with its terms. The Parties agree to be bound thereby and to act accordingly. Pending the giving of the arbitral award including interim award, the Borrower shall be obliged to perform all its obligations pursuant to the Finance Documents.
 - (iii). Subject to (i) and (ii) above, the courts of law/tribunals at the Place of Jurisdiction shall have exclusive jurisdiction for applications under Section 9 of the Arbitration and Conciliation Act, 1996 and for all matters that are referable to a court of law/tribunal in connection with the aforesaid arbitration.
- (c) Nothing contained herein shall be construed as extinguishing, limiting or ousting the rights and remedies of Maanaveeya, if available now or in the future as against the Borrower and/or any other persons, or any of their respective assets, under the SARFAESI Act and/or the IBC, and Maanaveeya shall be absolutely entitled to exercise such rights/remedies thereunder irrespective of the initiation, pendency, or continuation of any other arbitral or other proceedings.
- (d) Notwithstanding anything to the contrary contained hereinabove, in the event that Maanaveeya, as a result of a change in Applicable Law or otherwise, becomes

entitled to recover the dues owed to it under the DRT Act or any amendment, replacement thereof, and/or to exercise rights/remedies thereunder, including as a 'financial institution', each of the Borrower and the Guarantors hereby expressly agrees and consents that Maanaveeya shall be entitled to exercise the rights and remedies available to Maanaveeya under the DRT Act including to recover the Outstanding Balance from and/or to enforce any Security against the Borrower or any other persons, by filing proceedings with any of the debts recovery tribunals constituted thereunder. In addition, the Parties agree that in the event that Maanaveeya is empowered to exercise rights and powers under the provisions of the DRT Act as aforesaid, the provisions of sub-clause (b) (i) to (iii) and the agreement to arbitrate as between Maanaveeya and the Borrower and/or Guarantors shall, at the option of Maanaveeya, cease to have effect.

- (e) Provided that Maanaveeya shall at its discretion have the right to initiate/file/pursue common/combined proceedings/actions against any of the Borrowers and/or any of the other persons and it is clarified that Maanaveeya shall, at its discretion, be entitled to consolidate and combine any arbitral or other legal proceedings initiated or proposed to be initiated under this Agreement with any arbitral or other legal proceeding initiated or proposed to be initiated under one or more of the other Finance Documents.

5.13 Severability

If any provision of this Loan Agreement, or the application thereof to any person or circumstance, is or is held to be invalid or unenforceable to any extent, the remainder of this Loan Agreement and the application of such provisions to persons or circumstances other than those as to which it is held invalid or unenforceable will not be affected thereby, and each provision of this Loan Agreement will be valid and enforceable to the fullest extent permitted by law.

5.14 Counterparts

This Loan Agreement shall be executed in at least two counterparts, each of which when executed will be an original, but together will constitute one and the same instrument. The Borrower acknowledges that one counterpart of this Loan Agreement has been duly provided and delivered to it.

5.15 Effectiveness

This Loan Agreement shall become effective on and from the date of execution of this Loan Agreement by the parties as against the persons that are executing this Loan Agreement. The rights and obligations of each party to this Loan Agreement shall be effective as against each other on and from the date of signing hereof and shall be in full force and effect until the

complete settlement of all dues by the Borrower towards Maanaveeya and the due discharge of security created to secure the Loan.

5.16 Amendments

Any term of the Loan Agreement may be amended only in writing with the consent of both parties, and any such amendment or waiver will be binding on all parties.

5.17 Partial Invalidity

If, at any time, any provision of the Loan Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

5.18 Notice

Any notice or communication (collectively, “**Notice**”) to be given hereunder to any party shall be in writing in English, and shall be given by hand delivery, mail, post, courier or telegram to the party at the address which is given in this Agreement hereinbelow or the Sanction Letter or the application form or at such other address as such party shall have designated by prior Notice to the party giving such Notice. Provided that in case of the Notice to the Borrower, Maanaveeya may send the same to any of the last known addresses of the Borrower as per Maanaveeya’s records. Provided further that any Notice to Maanaveeya, to be valid, must also be additionally sent to Maanaveeya’s then corporate office address as available on Maanaveeya’s website. Provided also that any Notice/communications to the Borrower may also be given/sent to the Borrower by Maanaveeya by way of email or SMS to the email id or mobile number of the Borrower mentioned in the application form, or by way of other Electronic Modes/ electronic instructions.

- (a) Any Notice or communication given as above shall be deemed to have been delivered and served fully on the party to whom given, in case of hand delivery when actually delivered, in case of mail or telegram, post or courier within 3 (three) days of dispatch of such Notice and in case of telex or telecopier when sent, and in case of email or sms or Electronic Mode sent by Maanaveeya to the Borrower when sent by Maanaveeya.
- (b) The Notices by/in sms/email/other electronic instructions/mode (collectively, “**Virtual Instructions**”) shall be subject to the following:
 - (i) The Borrower shall not be entitled to provide Notice by way of Virtual Instructions unless previously expressly permitted by Maanaveeya in writing and if so permitted then to such address of Maanaveeya as shall be expressly specified by Maanaveeya in this regard. Further, if so permitted by

Maanaveeya, then the Borrower shall be entitled to provide Notice to Maanaveeya by Virtual Instructions (however not only by Virtual Instructions) and the Borrower must additionally send the same Notice in physical form in writing with the same contents signed by the Borrower's authorized signatories. Provided that though Maanaveeya shall not be obligated to accept or act upon the Virtual Instructions from Borrower unless the physical instructions as above are received from the Borrower, Maanaveeya may however in its absolute discretion be entitled to accept any such Virtual Instructions from Borrower without the physical instructions as above. Any Virtual Instruction sent by Borrower which Maanaveeya relies upon shall be deemed to have been given by the Borrower and/ or its authorised signatory and such instructions shall be binding upon the Borrower whether actually given by the authorised signatory or not, under authority or not.

- (ii) If there is a dispute as to the electronic records, or if there is any difference between the electronic records in the systems of Maanaveeya and the Borrower, the records of Maanaveeya shall be final.
- (iii) The Borrower understand/s that the internet/any other digital or electronic mode ("**Electronic Modes**") through which the Virtual Instructions transmit, are not necessarily encrypted and Electronic Modes are not always secure means of transmission, especially when Notices not electronically signed, and are susceptible to misuse, alternation, fraud, etc. for which the Borrower agrees that Maanaveeya shall not be held liable or responsible. The Borrower further indemnifies Maanaveeya and agrees to keep them indemnified, saved and harmless, from time to time and at all times from and against any and all claims, losses, damages, costs, liabilities, charges, actions, suits, demands, penalties and expenses or other consequences incurred, suffered by any of them, pursuant to, in connection with or arising out of or in relation to:
 - (A) Maanaveeya acting or refraining to act pursuant to, in accordance with or relying upon, any Virtual Instructions from Borrower; and/or,
 - (B) Maanaveeya acting pursuant to, in accordance with or relying upon any Virtual Instructions from Borrower; and/or,
 - (C) Any unauthorised or fraudulent Virtual Instruction and/ or non receipt of any Virtual Instruction claimed to have been sent by the Borrower; and/ or
 - (D) Any errors, delays or problems in transmission or unauthorized/ illegal interception, any misuse, alteration, manipulation of electronic data or

otherwise in the Virtual Instructions caused by using Electronic Modes as a means of transmission.

Address details

Details of the Borrower:

LENDINGKART FINANCE LIMITED
14th Floor, The First, The First Avenue Road,
Behind Keshavbaug Party Plot, Vastrapur
Ahmedabad 380015 GJ IN

Details of Maanaveeya:

MAANAVEEYA DEVELOPMENT & FINANCE PRIVATE LIMITED
Prashanthi Towers, 4th Floor, H. No. 8-2-293/82/564 A 43,
Road No. 92, Jubilee Hills, Hyderabad, Telangana- 500034 India
Fax number: +91 40 2355 4729
Email: office.in@oikocredit.org
Attention: Mr. Ram Babu

In witness whereof both parties laid their hands on the date and place as mentioned above.

Borrower:

LENDINGKART FINANCE LIMITED

Name:
Function:
Date:
Place:

MAANAVEEYA DEVELOPMENT & FINANCE PRIVATE LIMITED
MAANAVEEYA DEVELOPMENT & FINANCE PRIVATE LIMITED:

Name: Mr. Ram Babu	Name: Ms. C Rajeswari
Function: CFO	Function: Head - SME,RE & AGRI
Date:	Date:
Place: Hyderabad	Place: Hyderabad

Witnesses of the Maanaveeya:

Name:	Name:
Function:	Function:
Date:	Date:
Place: Hyderabad	Place: Hyderabad

Annexure-1. Prohibited Activities

The following are activities in which the Borrower may not engage and it hereby represents and warrants that they are not part of the business plan or model of the Borrower or any entity with which it does business at any time while the loan from Maanaveeya is outstanding:

- 1.1 Production or activities involving harmful or exploitative form of forced labourⁱ/harmful child labourⁱⁱ.
- 1.2 Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- 1.3 Production or trade in weapons and munitions.
- 1.4 Production or trade in alcoholic beverages (excluding beer and wine).
- 1.5 Production or trade in tobacco.
- 1.6 Gambling, casinos and equivalent enterprises.
- 1.7 Production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without fully documented consent of such peoples.
- 1.8 Trade in wildlife or wildlife products.
- 1.9 Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
- 1.10 Mining and mineral processing.
- 1.11 Commercial logging operations or the purchase of logging equipment for use in a natural forest.

ⁱ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

ⁱⁱ Harmful child labor means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development. Employees may only be taken if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local law specifies compulsory school attendance or the minimum age for working. In such cases, the higher age shall apply.

- 1.12 Production or trade in wood or other forestry products from primary forests, provided they are not certified by the Forest Stewardship Council.
- 1.13 Production or trade in radioactive materials.
- 1.14 Production or trade in or use of unbounded asbestos fibers.
- 1.15 Production or trade in products containing PCBs (group of toxic chemicals, likely to be found in oil-filled electrical transformers, capacitors, and switchgear dating from 1950 to 1985).
- 1.16 Production or trade in pharmaceuticals subject to international phase-out or ban.
- 1.17 Production or trade in pesticides/herbicides subject to international phase-out or ban.
- 1.18 Production or trade in ozone-depleting substances subject to international phase-out.
- 1.19 Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial-scale usage of hazardous chemicals.
- 1.20 Production of GMO (genetically modified) seeds.
- 1.21 Agricultural activities that use GMO seeds unless (1) in the market where the Borrower operates there are no viable alternatives (e.g. Argentina, Paraguay) and (2) large groups or communities derive their livelihood from GMO-related agriculture.

**Annexure-2. MAANAVEEYA PRIVATE
General Conditions**

Applicable to Loan Agreements with Financial Intermediaries

MAANAVEEYA DEVELOPMENT & FINANCE PRIVATE LIMITED
dated 1 May 2015

Contents

Article

1. Definitions
2. Conditions to Disbursement of a Loan
3. Interest and Maintenance Fee
4. Additional Obligations of the Borrower
5. Costs, Charges and Expenses
6. Securities
7. Warranty Concerning Security Rights
8. Events of Default
9. Penalty for Late Payments
10. Warranty of Information by the Borrower
11. Payments by the Borrower to Maanaveeya
12. Non-exercise of Rights by Maanaveeya
13. Non-assignment
14. Notifications and Communications
15. Validity and Enforceability
16. A. Advanced Repayments
B. Early Termination of Credit Lines That Bear a Maintenance Fee
17. General Undertakings

Article 1. DEFINITIONS

"Borrower" means the party to the Loan Agreement to which the Loan is made.

"Currency of the Loan" and "Contracted Currency" mean the currency for calculation of repayment of the Loan as specified in the Loan Agreement.

"Maanaveeya" means Maanaveeya Development & Finance Private Limited, a company within the meaning of the Companies Act, 2013 and a non-banking finance company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and having its Registered Office at House No. 8-2-293/82/2/208/A and 208/A/1 M.L.A's Colony, Banjara Hills, Road No. 12 Hyderabad, Telangana 500034.

"Indian Accounting Standards" **means** the accounting standards prescribed by the Institute of Chartered Accountants of India.

"General Conditions" means these General Conditions Applicable to Loan Agreements.

"Loan" means the amount of money lent by Maanaveeya to the Borrower under the Loan Agreement, and any increase thereof in accordance with the terms of the Loan Agreement.

"Loan Agreement" means the specific loan agreement between Maanaveeya and the Borrower, as it may be amended or revised from time to time and which shall be deemed to incorporate these General Conditions.

"Prepayment", "Amount Prepaid", and "Advanced Repayment" mean repayments of principal in excess of the principal amounts scheduled for normal repayment of the loan pursuant to the Loan Agreement.

"Project" means the project or the purpose for which the Loan is granted, as described in the Loan Agreement.

Article 2. CONDITIONS TO DISBURSEMENT OF A LOAN

No disbursement on account of the Loan shall be made by Maanaveeya unless the following conditions have previously been fulfilled to the satisfaction of Maanaveeya:

- i) that the Borrower shall have acquired all necessary properties, leases, concessions, licenses, authorisations and other rights necessary for the proper carrying out of the Project;
- ii) that Maanaveeya shall have received a legal opinion from legal counsel acceptable to Maanaveeya to the effect that:

- the Loan Agreement is a valid agreement under and in accordance with the law of the country where the Loan is to be disbursed;
- the Borrower has been validly organised and registered in accordance with the applicable law;
- the person(s) who sign the Loan Agreement are authorised to do so and the Loan Agreement is legally binding on the Borrower;
- all rights, concessions, licenses, approvals, authorisations etc. mentioned in subparagraphs (i) and (ii) of this article have been acquired in due form;

iv) that the Borrower has performed all its undertakings and obligations which were to be performed before the disbursement in question;

v) that, unless the Loan Agreement specifies a disbursement scheme, the Borrower has given at least 30 (thirty) days' notice requesting the disbursement;

vi) that the requested disbursement(s) is (are) in relation to and in step with the progress of the Project as described in the Loan Agreement, in proof whereof the requested disbursement shall be accompanied by reports and documents showing the use made of previous disbursements and the intended use of the requested disbursement, if requested by Maanaveeya;

vii) with respect to each disbursement, there has not been a material adverse change in the finances or operations of the Borrower since Maanaveeya approved the Loan.

Article 3. INTEREST AND MAINTENANCE FEE

a. Interest

The Borrower shall pay to Maanaveeya interest on the outstanding amounts of the Loan at the rate specified in the Loan Agreement.

The interest shall accrue from day to day and shall be paid from time to time on the dates specified in the Loan Agreement or other instruments executed by the Borrower.

Interest on every part of the Loan shall be calculated as from the day of debiting such part of the Loan from Maanaveeya's bank account up to and including the day of crediting the repayment to Maanaveeya's bank account.

Withholding Tax; Fees and Charges: Any and all taxes or government charges pertaining to or arising from the payments due to Maanaveeya from the Borrower under the Loan Agreement, including taxes on interest paid to Maanaveeyat, whether due from Maanaveeya or the Borrower, are to be for the account of the Borrower such that Maanaveeya receives the entire rate of interest and all principal stated in the Loan Agreement.

b. Maintenance Fee for Credit Lines

For credit lines, the Borrower shall pay to Maanaveeya a maintenance fee to be calculated with respect to the entire amount of the credit line set out in the Loan Agreement. The maintenance fee shall begin to accrue upon the signing of the Loan Agreement by the Borrower. The maintenance fee shall be paid on the same schedule as interest payments, unless otherwise provided for in the Loan Agreement.

Article 4. ADDITIONAL OBLIGATIONS OF THE BORROWER

In addition to its obligations specified in the Loan Agreement, the Borrower undertakes:

- i) to use the amount of the Loan solely and exclusively for the Project;
- ii) to provide Maanaveeya at its request, both before and after disbursements, with sufficient evidence satisfactory to Maanaveeya in form and in substance, concerning such use;
- iii) if required by law, to register the Loan Agreement, securities (if any) and the amounts disbursed by Maanaveeya to the Borrower, at the Registrar of Companies and/or at other institutions/organisations in India which are registrations prescribed by law;
- iv) to provide Maanaveeya with full proof of such registration(s) no later than 4 (four) weeks after the date of receipt of (a part of) the Loan;
- v) to maintain a proper accounting and cost control system, satisfactory to Maanaveeya and in conformity with Indian Accounting Standards, to be consistently applied from year to year;
- vi) to furnish Maanaveeya promptly with all material information concerning the Borrower's business in general and the Project in particular, including, among other things:
 - a general and a financial quarterly report within 4 (four) weeks after the expiry of the relevant quarter;
 - the annual report, including balance sheet and profit and loss account;
 - the reports, remarks and suggestions of the independent auditor referred to in subparagraph (ix) of this Article;

vii) to inform Maanaveeya forthwith of any plan, measure, event or condition which might materially and adversely affect the Borrower's business in general and/or the progress of the Project in particular and/or the recoverability of the Loan or interest;

viii) to permit and enable Maanaveeya to examine or have examined the business of the Borrower in general and the progress of the Project in particular, to give full cooperation to facilitate such examination, to give access during normal working hours to the premises and sites of the Borrower to whomsoever is authorised in writing by Maanaveeya to carry out such examination and to submit to Maanaveeya and/or its authorised representatives for inspection and examination all books, minutes, records and other documents relating to the business of the Borrower;

ix) to appoint an independent auditor, the choice of which has been approved beforehand by Maanaveeya, if Maanaveeya, in its sole discretion, reasonably believes an independent auditor is necessary and requests such appointment;

x) in conformity with the requirements of the competent authorities, to comply with and perform all formalities with regard to the Loan, its disbursement, repayment, etc.;

xi) to notify Maanaveeya in writing of any event of default as defined in article 8 of these General Conditions within 7 days of such default.

Article 5. COSTS, CHARGES AND EXPENSES

The following costs, charges and expenses shall be borne and paid by the Borrower or, if Maanaveeya has paid such costs, charges or expenses, reimbursed to Maanaveeya:

i) all costs, charges and expenses, including but not limited to any taxes, stamp duties, registration charges, notary's fees, bank charges, transmission charges and other transfer costs incurred in connection with the preparation, registration, conclusion, execution and performance of the Loan Agreement and/or with the creation of the securities referred to in the Loan Agreement or in article 6 of the General Conditions;

ii) all costs and expenses of whatever nature, including lawyer's charges and fees, that Maanaveeya incurs to enforce its rights and collect payments due under the Loan Agreement;

iii) all costs, charges and expenses of advice and assistance and/or of visits to the Project by persons designated by Maanaveeya, which become necessary as a result of a default of the Borrower in the performance of any of its obligations toward Maanaveeya.

Article 6. SECURITIES

The securities pledged or to be pledged in favour of Maanaveeya shall cover (i) the indebtedness created by the Loan Agreement, as well as (ii) any revisions to the terms of the Loan Agreement and (iii) any past or future loan agreement(s) between Maanaveeya and the Borrower.

Article 7. WARRANTY CONCERNING SECURITY RIGHTS

The Borrower warrants that no security rights or similar encumbrances in favour of a third party exist over the whole or any part of its properties and rights, other than those disclosed in writing to Maanaveeya prior to the execution of the Loan Agreement.

Article 8. EVENTS OF DEFAULT

Maanaveeya shall be entitled to suspend or terminate disbursements and/or to declare the Loan to be in default and demand immediate repayment of the Loan or any part thereof, together with accrued interest and all other payments to be made by the Borrower, and/or to terminate the Loan Agreement forthwith, if one or more of the following events or circumstances occurs:

- i) if the Borrower fails to perform any of its obligations under the Loan Agreement; or under any other current or future agreement with Maanaveeya or any other lender;
- ii) if any statement or warranty of the Borrower is found to be incorrect or untrue, and/or if any of the conditions of disbursement of the Loan is insufficiently fulfilled;
- iii) if the Borrower does not properly carry out the Project;
- iv) if the Borrower is declared bankrupt or a petition for bankruptcy of the Borrower is filed, or if the Borrower itself files a petition for an official moratorium on payments, or if the Borrower proposes or executes a reorganization of debt with all or any of its creditors;
- v) if the Borrower is dissolved and/or wound up in any way or ceases or attempts to cease its activities or a major part thereof;
- vi) if the Borrower discontinues or materially changes the nature or the mode of operation of the Project or the Borrower's business without giving at least 60 days' prior written notice to Maanaveeya and obtaining advance written permission from Maanaveeya;
- vii) in case of change of control of the Borrower, so that any person or group of persons acting in concert gains direct or indirect control of the Borrower;

viii) if the Borrower fails to notify Maanaveeya in writing at least 30 days before any transfer(s) of shares of the Borrower amounting (in the aggregate within a six-month period) to 10% or more of the capital of the Borrower;

ix) if the Borrower sells or otherwise transfers one-third or more of its assets to another person or juridical entity, including affiliates and related entities;

x) if the memorandum and/or articles of association change(s) the purpose or mission of the Borrower and/or reduce(s) the amount of authorized or issued share capital of the Borrower without the prior written consent of Maanaveeya;

xi) if, in Maanaveeya's determination, there has been a material adverse change in the finances or operation of the Borrower since Maanaveeya approved the Loan;

xii) if Maanaveeya reasonably concludes that any claim or right of Maanaveeya under the Loan Agreement is in jeopardy;

xiii) if the securities granted and/or to be granted by the Borrower to Maanaveeya are jeopardised, or in the event of nationalisation and/or expropriation of all or any of the properties and/or rights and/or interest of the Borrower;

xiv) if the Borrower loses any properties, leases, concessions, licenses, authorisations and other rights necessary for the proper carrying out of the project;

xv) if the Borrower fails to notify Maanaveeya in writing at least 30 days before a change of (a) the entire membership of the board of directors, supervisory board, or other such relevant body; or (b) the managing director, general manager, or any other such senior officer(s) authorized by the articles of association to act as the legal representatives of the Borrower;

xvi) if, in Maanaveeya's determination, the Borrower has failed to comply with any part of the content of the annexes to the Loan Agreement, entitled, respectively, "Prohibited Activities" and "Client Protection Principles".

There shall be no obligation whatsoever on the part of Maanaveeya to remind the Borrower of any of its obligations under the Loan Agreement and the Borrower shall be in default of any of its obligations hereunder by the mere non-performance, insufficient performance or late performance of the same.

Article 9. PENALTY FOR LATE PAYMENTS

Without prejudice to Maanaveeya's right to exercise any of its rights in the event of default by

the Borrower, if the Borrower fails to pay promptly and in full any amount due from it under the Loan Agreement, an extra monthly charge shall be levied at the lower of the maximum permitted legal rate or the rate of 1% (one percent) per month of such unpaid amount.

This extra charge will accrue from day to day, from the due date of the unpaid amount until the date of receipt of such amount by Maanaveeya.

Article 10. WARRANTY OF INFORMATION BY THE BORROWER

The Borrower warrants that, before the signing of the Loan Agreement, it has made available to Maanaveeya in writing all information which is relevant, material and/or important to Maanaveeya for its appraisal of the circumstances and conditions affecting its undertaking of the Loan commitment, and that no facts or circumstances, as described in article 8 of the General Conditions, which would entitle Maanaveeya to suspend disbursements, have occurred or are expected to occur.

Article 11. PAYMENTS BY THE BORROWER TO MAANAVEEYA

i) All payments by the Borrower to Maanaveeya under the Loan Agreement shall be allocated as follows: first, to costs incurred by Maanaveeya under the Loan Agreement or these General Conditions; second, to interest payments due to Maanaveeya; third, to amortisation of the principal amount of the debt.

ii) All payments by the Borrower to Maanaveeya under the Loan Agreement shall be made as follows:

- to Maanaveeya's bank account which is notified to the Borrower; and,
- in the currency mentioned in the Loan Agreement.

iii) In quantifying the amounts payable at any time by the Borrower to Maanaveeya, the accounts of Maanaveeya shall always be decisive so that the making of any payment by the Borrower shall never be suspended or delayed because of a dispute as to the amount actually due, but without prejudice to the right of the Borrower, after making a payment, to recover from Maanaveeya so much, if any, of the amount paid as may exceed the amount actually due.

Article 12. NON-EXERCISE OF RIGHTS BY MAANAVEEYA

No delay in exercising or omission to exercise any right, power or remedy by Maanaveeya under or with reference to the Loan Agreement shall impair any such right, power or remedy, or be construed to be a waiver thereof or an acquiescence in any default, nor shall an action or omission by Maanaveeya in respect of any default by the Borrower affect or impair any right, power or remedy of Maanaveeya in respect of any other or subsequent default.

Article 13. NON-ASSIGNMENT

i) The Borrower shall not assign, transfer, alienate or encumber in any way its rights and/or obligations under the Loan Agreement nor the Loan Agreement itself or any part thereof. Any purported assignment, transfer, alienation or encumbering in violation of the present article shall be null, void and of no effect.

ii) By mere notice to Borrower and without necessity of Borrower's consent, Maanaveeya may assign or transfer all or part of its rights and interests under the Loan Agreement, these General Conditions and such other agreements executed pursuant thereto.

Article 14. NOTIFICATION AND COMMUNICATIONS

Notification, communications or documents to be sent or furnished under or with reference to the Loan Agreement shall, under pain of being null and void, be sent in writing to the following addresses:

To Maanaveeya:

Letters:

Maanaveeya Development & Finance Private Limited
Door No. 8-2-293/82/2/208/A and 208/A/1
M.L.A.'s Colony, Banjara Hills, Road No. 12
Hyderabad 500034, India

Telephone: 040 2355 4729, 040 2355 5157

To the Borrower:

To the address, or one of the addresses as the case may be, mentioned on the letterhead of the Borrower or registered in the Commercial Register or Company Register.

Maanaveeya and the Borrower may each change their above-mentioned address by notice given in a registered letter sent to the other party.

Article 15. VALIDITY AND ENFORCEABILITY

The Loan Agreement, these General Conditions and any related document are valid to the extent permitted by applicable law.

If any of the provisions of the Loan Agreement, these General Conditions or any related document is proved to be, wholly or partly, invalid or unenforceable, this shall not affect the validity or enforceability of the other provisions of the Loan Agreement, General Conditions or related document so affected. In such a case, the Borrower and Maanaveeya shall replace such invalid or unenforceable provision by another, being in effect as nearly similar to the original provision as possible.

The Loan Agreement, General Conditions or related documents may be amended, or part or all of the debt forgiven, only with the explicit written consent of Maanaveeya.

Article 16.

A. ADVANCED REPAYMENTS

Advanced repayments in addition to the repayment schedule as specified in the Loan Agreement are permitted to a maximum of 10% (ten percent) of the initial principal amount in any twelve (12) months of the Loan term. Maanaveeya sustains substantial cost in establishing loans, which is recovered over the nominal life of the loan together with anticipated interest. Therefore advanced repayments over and above 10% per twelve-month period will bear a penalty as follows:

- a) With respect to payments made during the first 12 months after the first disbursement under the Loan Agreement, 5% of the Amount Prepaid but not less than EUR 2,500 or the equivalent of EUR 2,500 in the Currency of the Loan at the rate of exchange applicable on the date the Borrower requests the prepayment penalty calculation.
- b) With respect to payments made during the second 12 months following the first disbursement under the Loan Agreement, 2% of the Amount Prepaid.
- c) With respect to payments made during the third 12 months following the first disbursement under the Loan Agreement, 1% of the Amount Prepaid.
- d) With respect to payments made during the fourth 12 months following the first disbursement under the Loan Agreement, 0.5% of the Amount Prepaid.
- e) After 48 months following the first disbursement, the penalty shall not apply.

B. EARLY TERMINATION OF CREDIT LINES THAT BEAR A MAINTENANCE FEE

In cases where the Borrower terminates a credit line before the end of the agreed term as provided for in the Loan Agreement between Maanaveeya and the Borrower, the Borrower will

pay the amount of the unpaid maintenance fee calculated through the end of the term as a penalty for early termination.

ARTICLE 17. GENERAL UNDERTAKINGS

1. The Borrower commits to service the Loan granted by Maanaveeya. The Borrower knows and realizes that Maanaveeya is an ecumenical development institution which makes money available in the form of loans on appropriate terms to underprivileged groups and that this work can only continue if every borrower repays faithfully the amount received from Maanaveeya, in order to avoid any losses to Maanaveeya which will reduce Maanaveeya's capability of helping other poor groups in other parts of the world.

2. Ecological impact. Maanaveeya stands for the integrity of creation, including the ecological environment. The Borrower commits to use best available practices to minimize any adverse environmental effects. The Borrower also commits to providing on a regular basis the results of the environmental indicators to be agreed with Maanaveeya.

3. Social effects. Maanaveeya stands for the alleviation of poverty, the improvement of living conditions for the community and the empowerment of women. The Borrower commits that its work will further these objectives. The Borrower also commits to providing regular social impact indicators as agreed with Maanaveeya.

4. Code of conduct. Maanaveeya requires integrity and transparency and opposes corruption in business dealings. The Borrower commits that it will refrain from any action that violates this principle.

5. Client Protection Principles. To ensure protection of its clients, the Borrower in its capacity as a provider of financial services agrees to comply with the Client Protection Principles, annexed to the Loan Agreement.

These General Conditions shall be executed in at least three counterparts, each of which when executed will be an original, but together will constitute one and the same instrument. The Borrower acknowledges that one counterpart of this has been duly provided and delivered to it.

Borrower:

LENDINGKART FINANCE LIMITED

Name:
Function:
Date:
Place: Hyderabad

MAANAVEEYA DEVELOPMENT & FINANCE PRIVATE LIMITED:

Name: Mr. Ram Babu	Name: Ms. C Rajeswari
Function: CFO	Function: Head - SME,RE & AGRI
Date:	Date:
Place: Hyderabad	Place: Hyderabad

Witnesses of the Maanaveeya:

Name:	Name:
Function:	Function:
Date:	Date:
Place: Hyderabad	Place: Hyderabad

Annexure-3. Client Protection Principles

To ensure protection of its clients, the Borrower, in its capacity as a provider of financial services, shall comply with the following Client Protection Principles, which are the minimum standards that clients should expect to receive when doing business with a microfinance institution:

- 1.1 **Prevention of over-indebtedness:** The Borrower will take adequate care in all phases of ITS credit process to determine that clients have the capacity to repay without becoming over- indebted. In addition, the Borrower will implement and monitor internal systems that support prevention of over-indebtedness and will foster efforts to improve market level credit risk management (such as credit information sharing)
- 1.2 **Fair and respectful treatment of clients:** The Borrower and its agents will treat clients fairly and They will not discriminate. The Borrower will ensure adequate safeguards to detect and correct corruption as well as aggressive or abusive treatment by its staff and agents, particularly during the loan sales and debt collection processes.
- 1.3 **Responsible pricing:** Pricing, terms and conditions will be set in a way that is affordable to clients while allowing for financial institutions to be sustainable. The Borrower will strive to provide positive real returns on deposits.
- 1.4 **Transparency:** The Borrower will communicate clear, sufficient and timely information in a manner and language clients can understand so that clients can make informed decisions. The need for transparent information on pricing, terms and conditions of products is highlighted.
- 1.5 **Mechanisms for complaint resolution:** The Borrower will have in place timely and responsive mechanisms for complaints and problem resolution for their clients and will use these mechanisms both to resolve individual problems and to improve its products and services.
- 1.6 **Privacy of client data:** The privacy of individual client data will be respected in accordance with the laws and regulations of individual jurisdictions. Such data will only be used for the purposes specified at the time the information is collected or as permitted by law, unless otherwise agreed with the client.
- 1.7 **Appropriate product design and delivery:** The Borrower will take adequate care to design products and delivery channels in such a way that they do not cause clients harm. Products and delivery channels will be designed with client characteristics taken into account.