CERTIFIED TRUE COPY OF THE EXTRACTS FROM THE MINUTES OF THE GENERAL MEETING OF [•] (“COMPANY”) HELD ON [•] AT [•].

“RESOLVED THAT,pursuant to the provisions to the section 185 (2) of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors to furnish guarantee and/ or provide security over the Company’s assets in respect of loans, advances or any other form of financial assistances granted to [insert name of borrower][[1]](#footnote-1) (“Borrower”) by various banks and financial institutions from time to time, to further the Borrower’s principal business activities.

RESOLVED FURTHER THAT, consent of the Company be and is hereby accorded to the Board of Directors of the Company to furnish guarantee and/ or provide security in respect of the Company’s assets (s) in favour of the concerned banks/ financial institutions of the Borrower or their nominee(s)/ security trustee(s), as contractual comfort/ security for the Borrower’s obligations under the financial assistances, in the form and manner set out in the respective sanction letters/ transaction documents.

Resolved FURTHER that**,** the Board be and is hereby authorized to take all necessary steps and do all necessary things in order to comply with all the formalities and further to do all such acts, deeds or things as may be necessary to give effect to the aforesaid resolution and matters related thereto.”

Certified True Copy

For [Insert name of Company]

Company Secretary

# Explanatory Statement

Section 185(2) of the Companies Act, 2013 provides that a company shall not advance any loan (including any loan represented by a book debt) or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested in (*as defined in the explanation provided in Section 185(2)*) without the consent of the company by way of a special resolution passed by its shareholders in a general meeting.

[•], a company within the meaning of the Companies Act, 2013 (borrower), proposes to borrow the following financial assistances:

(i) [Working capital/ rupee term loan][[2]](#footnote-2) facilities aggregating to Rs. [•] million from ICICI Bank Limited in accordance with the terms and conditions set out in Credit Arrangement Letter No. [•] dated [•], to be utilized towards [insert purpose of facilities]. The performance and payment obligations of the borrower under the said assistance are proposed to be guaranteed by the Company and/or secured by a [insert nature/ranking of charge] charge over the Company’s [moveable/ current/ immoveable] assets, more particularly described in the said Credit Arrangement Letter No. [•] as contractual comfort/ security for the Borrower’s obligations under such loans availed by ICICI Bank Limited.

1. Please ensure that the borrower falls within the definition of the Explanation to Section 185 (2) in consultation with CLG. Please further check that exemptions under Section 185 (3) (c) or (d) are not applicable. [↑](#footnote-ref-1)
2. Confirm whichever is applicable. [↑](#footnote-ref-2)