

(N.J) SL.NO.
PURCHASER
EXECUTANT/CLAIMANT
SUB REGISTRAR
& EX OFFICIO STAMP VENDOR
S.R.O. AZAMPURA



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LOAN CUM HYPOTHECATION AGREEMENT FOR EQUIPMENT FINANCE TELANGANA

This loan cum hypothecation agreement for Equipment Finance (this "Agreement") is executed at the place and on the date as mentioned in Serial No. 1 and Serial No. 2 of the Annexure 1 hereto respectively:

BETWEEN

TATA CAPITAL FINANCIAL SERVICES LIMITED, a company incorporated under the provisions of the Companies Act, 1956, CIN No. U67100MH2010PLC210201, having its registered office at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013 (hereinafter referred to as the "Lender" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the One Part

AND

The Obligors as detailed in Serial No. 3 of the Annexure 1 hereto (the "Obligors", which term shall, unless repugnant to the context be deemed to include the persons as mentioned in the Master Terms and Conditions registered as Document No. 8978-2018 on November 6, 2018 with the Sub-Registrar at Mumbai City - 3 ("T&Cs") of the Other Part

WHEREAS:

- (a) The Obligors have approached the Lender with a request to grant the Facility to the Borrower, for the purchase/working capital requirement in respect of the Assets and/or Security/ies as defined in the T&Cs and the details of which are set out at Serial No. 4 of Annexure 1 hereto, and the Lender has agreed to lend to the Borrower the required sum on certain terms and conditions contained herein and the T&Cs, including, inter alia that the Obligors shall, as security for the Facility, hypothecate and exclusively charge the Assets to be owned and belonging to the Borrowers in favour of the Lender.
- (b) The Lender has agreed to extend the Facility to the Borrower, on the faith of the undertakings, representation and warranties made by the Obligors (as more particularly stated in the Facility Documents).

1. Definitions & Interpretation

- (a) Capitalised terms wherever used in this Agreement, unless the context otherwise requires, have the meanings ascribed to them in the T&Cs.
- (b) The rules of interpretation as set out in the T&Cs shall apply mutatis mutandis to this Agreement.

2. Facility

- (a) The Borrower agrees to borrow and the Lender agrees to grant to the Borrower, the Facility, being the amount specified at Serial No. 5(a) and moratorium period(if any) specified at Serial No.5(b) of Annexure 1 hereto, on terms and conditions contained herein and the T&Cs for the Purpose as stated in Serial No. 6 of Annexure 1 hereto. The total cost of the Assets is as set out at Serial No. 4 of Annexure 1 attached hereto.
- (b) The Borrower shall not be entitled to cancel or refuse to accept Disbursement of the Facility, once the Facility Documents are executed except with prior written approval of the Lender and upon payment of such cancellation charges as set out in Serial No. 12 of Annexure 1 attached hereto. Further, such cancellation shall take effect only when the Obligors have paid to the Lender the Outstandings in full to the Lender's satisfaction.

For AZAD ENGINEERING PVT. LTD.

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3. Repayment and Interest

- (a) The Borrower shall pay/repay to the Lender the Facility together with accrued interests as mentioned in Serial No. 7 of Annexure 1 attached hereto as and by way of periodical instalments as computed by the Lender from time to time and all other amounts due and payable by the Borrower to the Lender from time to time on the respective due dates in accordance with the T&Cs. which shall be deemed accepted by the Obligor /s.
- (b) The Obligors hereby confirm that the expected date of delivery of the Assets is as set out at Serial No. 4 of the Annexure 1 hereto.
- (c) Without prejudice to the rights of the Lender under the Facility Documents, the Interest shall be payable currently at the rate set out in Serial No. 8 of Annexure 1 and the Interest shall be computed on the actual daily outstanding principal balance of the Facility on the basis of a 360/365 days' year and actual number of days elapsed and compounded with monthly rests on the outstanding balance of the Facility at the end of every calendar month.
- (d) In the event the Obligors request the Lender to cancel the Facility because of non-delivery of the Assets by the Seller to the Obligors in time, the Obligors shall, in addition to any other charges payable by the Obligors under this Agreement, also be liable to pay to the Lender cancellation charges as set out at Serial No. 12 of Annexure 1 hereto.

4. Additional Interest

In case of default by the Obligors in the repayments of the Facility on the relevant Due Date or any other delay/ default/ breach committed by the Obligors, the Lender shall have a right at its option to charge Additional Interest as more particularly set out in Serial No. 9 of Annexure 1 hereto, over and above the rate prescribed hereunder for the period during which such default continues.

5. Prepayment

The Borrower may be permitted to make part or full prepayment of the Outstandings on the terms and conditions contained in the T&Cs and by making payment of applicable Prepayment / Foreclosure charges as set out in Serial No. 10 of the Annexure 1 hereto and as may be revised by the Lender from time to time at its sole discretion.

6. Insurance

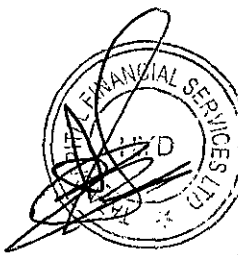
The Obligors hereby undertake and agree to comply and abide by the terms of the insurance as more particularly provided in the T&Cs.

7. Security

The Obligors hereby hypothecate the Assets and/or Security/ies, as detailed in Serial No. 4 of Annexure 1 hereto, in favour of the Lender on the terms and conditions as more particularly provided in the T&Cs and in the form and manner acceptable to the satisfaction of the Lender, for securing the Facility together with all interests, costs, fees and expenses and all other monies payable in terms of the Facility Documents and stipulated herein or any other finance or moneys due from time to time from the Obligors to the Lender in whatsoever capacity.

8. Guarantee

- (a) In consideration of the Lender, at the request of the Guarantor, granting the Facility to the Borrower on the terms and conditions appearing in the T&Cs and this Agreement, the Guarantor, hereby guarantees the due payment and discharge of all the Obligors' liabilities to the Lender and performance of the obligations of the Obligors under these Facility Documents, whether such liability is incurred before or after the date hereof, and whether incurred by the Obligors alone or jointly with other(s), and in whatever capacity whether as Obligor or surety or otherwise and whether such liabilities have matured or not, and whether they are absolute or contingent, including all liabilities in respect of advances, letters of credit, cheques, hundis, bills, notes, drafts and other negotiable or non-negotiable instruments drawn, accepted, endorsed or guaranteed by the Obligors, and in respect of interest with monthly/quarterly rests, commission and other usual or reasonable banking charges and in respect of all costs, charges and expenses which the Lender may incur in paying any rents, rates, taxes, duties, calls, instalments, legal or other professional charges, or other outgoings whether for insurance, repairs, maintenance,



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Signature

management, realization or otherwise in respect of the Assets or any other property, movable or immovable, or any chattels or actionable claims of scrip securities or title deeds pledged, mortgaged or assigned to or deposited with the Lender as security for the due payment and discharge of the Obligors' liability to the Lender.

- (b) The Guarantor hereby undertakes and covenants to abide and comply with the Guarantor's undertaking as more particularly given in the T&Cs.

9. Margin Money

The quantum of Margin Money, if any, to be paid by the Borrower simultaneously with the execution of this Agreement is provided in Serial No. 11 of Annexure 1 hereto.

10. Costs and Expenses

The Obligors shall be liable to pay Dishonour Charges and such other charges, costs, expenses, including legal expenses and incidental expenses related to and arising out of Facility as set out as set out in the Facility Documents including without limitation the Sanction Letter.

11. Disclosure

(a) The Obligors hereby agree and consent for disclosure and sharing of the information and data and for being contacted via various communication modes notwithstanding their names and / or numbers appearing in the Do Not Call or Do Not Disturb registry, as per the terms and conditions contained in the T&Cs.

(b) The Obligors hereby gives specific consent to the Lender for disclosing / submitting the financial information pertaining to the Facility to any Information Utility ("IU") in terms with the Insolvency and Bankruptcy Code, 2016 ("the Code") read with the relevant Regulations/ Rules, as amended from time to time. The Lender shall be entitled to deduct/charge the Obligors upfront towards such cost/ charges as may be applicable for such filings to be made with IU.

12. Other Conditions

- (a) The Obligors shall abide by all terms and conditions as specified in the T&Cs including without limitation general and special covenants mentioned therein, which shall form an integral part of this Agreement as if incorporated herein. In case of any inconsistency or repugnancy between the terms of this Agreement and the T&Cs, the terms of this Agreement shall prevail.
- (b) Nothing contained herein shall limit the rights of the Lender to enforce this Agreement independently and in exclusivity to any other Facility Documents.
- (c) The Obligors hereby state that the Obligors have read and understood the T&Cs, a copy of which is available on the website (i.e. www.tatacapital.com) and at the branches of the Lender, and hereby agree to be bound by the terms and conditions as contained in the T&Cs read with this Agreement. The Obligors hereby state and confirm that they have entered into the Facility Documents voluntarily and knowingly and out of their own free will, volition and accord and have not done so pursuant to any duress, coercion and/or undue-influence.
- (d) The Obligors shall adhere to the timelines set out in Serial No. 14 of Annexure 1 hereto.
- (e) Each of the Parties hereby agrees that the terms and conditions as mentioned in the T&Cs shall stand amended only to the extent as mentioned in Serial No 15 of the Annexure 1 hereto
- (f) The Lender shall issue notices or make communication through electronic mode by E-mail on the domain E-mail IDs, provided by the Obligors from time to time
- (g) Notwithstanding anything contained in the T&Cs, the Lender may at its sole and absolute discretion, without assigning reasons, and without notice to the Obligors, cancel the Facility or any part thereof and/or demand immediate repayment of all Outstanding's under/in relation to the Facility. The Lender shall intimate the Borrower regarding such cancellation.

For AZAD ENGINEERING PVT. LTD.

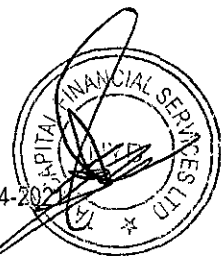
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- (h) Without prejudice to or affecting or diluting the right of the Lender under T&Cs, in the Event of Default, the Lender at its sole discretion shall request the Seller to stop supply of Assets and/or any services provided by the Seller to the Obligor/s and provide assistance to the Lender in recovering its dues.

13. Arbitration

If any dispute, difference or claim arises between any of the Obligors and the Lender in connection with the Facility or as to the interpretation, validity, implementation or effect of the Facility Documents or as to the rights and liabilities of the parties under these T&Cs or alleged breach of the Facility Documents or anything done or omitted to be done pursuant to the Facility Documents, the same shall be settled by arbitration by a sole arbitrator to be appointed as per the procedure below and to be held at such place as agreed by the Parties in Serial No. 13(a) of Annexure 1 hereto of the Agreement. The Party invoking the arbitration ("Claimant") shall address a notice to the other Party ("Respondent") suggesting the names of not more than three arbitrators, all of whom shall be either retired judges of the District Court, High Court or the Supreme Court or a lawyer having minimum 10 years' relevant experience. The Respondent shall either:

- (i) Confirm in writing acceptance of one amongst the proposed names as the sole arbitrator to the Claimant within a period of ten (10) days from the date of notice ("Notice Period"); or
- (ii) Convey objection, if any, in writing to the Claimant, against the proposed names of the sole arbitrator within the said Notice Period.

However, if the Claimant does not receive any response from the Respondent within the said Notice Period, the Claimant shall be entitled to nominate any one person from amongst the proposed three names as the sole arbitrator and such arbitrator shall be deemed to be appointed by both the Parties.

In the event, the Respondent conveys its objection as per (ii) above then the sole arbitrator will be appointed by a Court having jurisdiction. The arbitration shall be conducted under the provisions of the Arbitration and Conciliation Act, 1996 together with its amendments, any statutory modifications or re-enactment thereof for the time being in force. The arbitration proceeding shall be conducted in English language. The award of the arbitrator shall be final and binding on all parties concerned. The cost of arbitration shall be borne by the Obligors.

14. Jurisdiction

Subject to Clause 13 above, the Parties hereto agree that all disputes arising out of and/or in relation to this Agreement, shall be subject to exclusive jurisdiction of the courts/tribunals as set out in Serial No. 13(b) of Annexure 1 hereto. The Lender may, however, in its absolute discretion commence any legal action or proceedings arising out of this Agreement in any other court, tribunal or other appropriate forum and the Obligors hereby consent to that jurisdiction.

15. Miscellaneous Terms

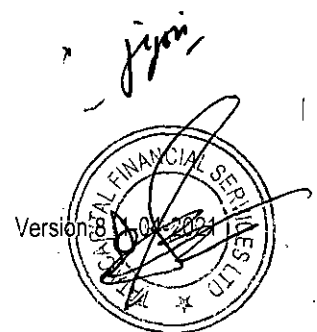
- (a) This Agreement is the Specific Agreement as referred to in the T&Cs.
- (b) The contents of this Agreement and the T&Cs were read out, explained and interpreted to the Obligors in their respective vernacular language and thereafter the Annexure 1 to this Agreement were duly filled in and understood by the Obligors and the signatures of the Obligors were taken on this Agreement.
- (c) This Agreement may be amended only in writing and upon signature by all the parties and no oral amendment shall be valid or be deemed to be an amendment to this Agreement.

For AZAD ENGINEERING PVT. LTD.



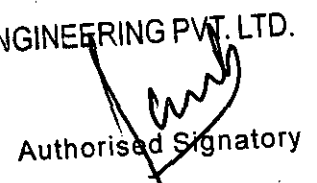

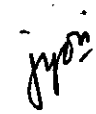
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In witness whereof the parties hereto HAVE EXECUTED AND HEREUNTO SIGNED THESE PRESENTS ON THE DAY, MONTH AND YEAR FIRST HEREINABOVE WRITTEN

<p>Signed and delivered by the within named Lender Tata Capital Financial Services Limited by the hands of its Authorized Signatory/ Constituted Attorney Mr. Phani Kanth Amam</p>	<p>For Tata Capital Financial Services Limited Authorized Signatory/ies</p> 
<p>Signed and delivered by the within named BORROWER/S-1 Azad Engineering Private Limited for self or through hands of its Authorized Signatory/s Mr. Ful Kumar Gautam</p> <p>_____ and _____ Mr. _____ NA _____</p>	<p>BORROWER/S SIGNATURE-1 For AZAD ENGINEERING PVT. LTD.</p>  <p>Authorized Signatory</p>
<p>Signed and delivered by the within named SECURITY PROVIDER/S-1 Azad Engineering Private Limited for self or through hands of its Authorized Signatory/s Mr. Ful Kumar Gautam</p> <p>_____</p>	<p>SECURITY PROVIDER/S SIGNATURE-1 For AZAD ENGINEERING PVT. LTD.</p>  <p>Authorized Signatory</p>
<p>Signed and delivered by the within named GUARANTOR/S-1 for self or through hands of its Authorized Signatory/s Mr. Rakesh Chopdar</p>	<p>GUARANTOR/S SIGNATURE-1</p> 
<p>Signed and delivered by the within named GUARANTOR/S-2 for self or through hands of its Authorized Signatory/s Mrs. Jyoti Chopdar</p>	<p>GUARANTOR/S SIGNATURE-2</p> 

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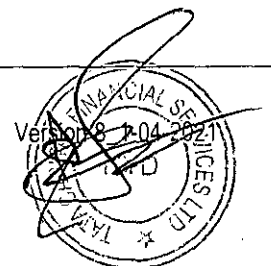
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ANNEXURE 1

1)	Place of Execution	Hyderabad
2)	Date of Execution	22-10-2021
3)	Details of the Borrower/s-1	<p>a) Name- Azad Engineering Private Limited</p> <p>b) Constitution- Private Limited Company</p> <p>c) Address-Plot No. 90/C,D, Phase I, IDA, Jeedimetla, Hyderabad-500055</p> <p>d) E-mail-cs@azad.in</p>
	Details of the Security Provider- 1	<p>a) Name- Azad Engineering Private Limited</p> <p>b) Constitution- Private Limited Company</p> <p>c) Address-Plot No. 90/C,D, Phase I, IDA, Jeedimetla, Hyderabad-500055</p> <p>d) E-mail-cs@azad.in</p>
	Details of the Guarantor -1	<p>a) Name Rakesh Chopdar</p> <p>b) Constitution Individual</p> <p>c) Address 5A/800,Benecia Lodha Belezza, Kukatpally, Hyderabad-500072</p> <p>d) E-mail cs@azad.in</p>

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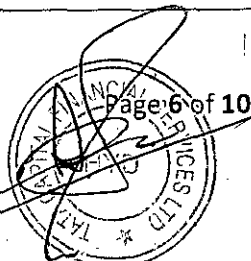
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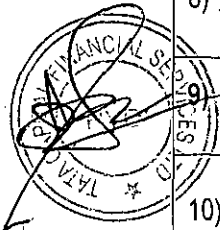
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For AZAD ENGINEERING PVT. LTD.

	Details of the Guarantor -2	a) Name Jyoti Chopdar b) Constitution Individual c) Address 5A/800, Benecia Lodha Belezza, Kukatpally, Hyderabad-500072 d) E-mail cs@azad.in
4)	Details of the Assets and/or Security/ies	As per Annexure -2
5(a)	Details of Facility/ies	Rs. 10,62,00,000_/- (Rupees Ten Crores Sixty Two Lakhs only) as per sanction letter dated 18.10.2021_-CF\TL\Hyd\4873250 as may be modified from time to time.
5(b)	Moratorium Period (if any)	As per Sanction Letter
6)	Purpose	As per sanction letter
7)	Repayment Schedule	Repayment Schedule as communicated to the Obligor/s from time to time
8)	Rate of Interest Payable	As per Sanction Letter
9)	Additional Interest	As per Sanction Letter
10)	Prepayment/ Foreclosure charges	As per sanction letter

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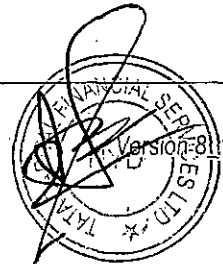
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11)	Margin Money	As per Sanction Letter
12)	Charges	As per Sanction Letter
13(a)	Place of Arbitration	Chennai
13(b)	Jurisdiction	Chennai
14)	Timelines	<p>(a) The Obligors shall provide an end use certificate to the Lender, as specified in Clause 2.4 of the T&Cs and as specified in Sanction Letter.</p> <p>(b) The Obligors shall provide deliver to the Lender such numbers of fresh Payment Instruments to replace such Payment Instruments, as specified in Clause 5.14 and Clause 5.18 of the T&C and as specified in Sanction Letter.</p> <p>(c) Within 60 days / On a 30 basis, the Obligors shall provide to the Lender, the TDS certificate in the Form No. 16A of the IT Act downloaded only from TDS Reconciliation Analysis and Correction Enabling System ("TRACES") website, as specified in Clause 5.25.5 of the T&Cs;</p> <p>(d) Within 90 days, subject to the same being complied as more specified under the T&Cs, the Lender will refund to the Borrower an amount equivalent to the TDS amount paid by such Obligor upon receipt of the TDS Certificate, as specified in Clause 5.25.8 of the T&Cs;</p> <p>(e) TDS refund claim will not be entertained by the Lender after the 30 days of the succeeding financial year, as specified in Clause 5.25.6 of the T&Cs;</p> <p>(f) Register the Assets with the appropriate Authority (where applicable) at such locations as may be permitted by the Lender from time to time, as specified in Clause 8.4.3 of the T&Cs as specified in Sanction Letter</p> <p>(g) Inform the Lender in writing of any theft or damage to the Assets, lodging of any claim whatever with any insurance company in respect of the Assets immediately however not beyond 1 day the date of such damage / theft or lodgement of claim, as specified in Clause 8.1.4.4 of the T&Cs;</p> <p>(h) The Obligors shall deliver to the Lender copy of the registration certificate relevant to the Assets within 60 days of having taken delivery of the Assets, as specified in Clause 10.1 of the T&Cs;</p> <p>(i) The Obligors shall be jointly and severally liable to indemnify and keep the Indemnified Person(s) indemnified and harmless, within 15 days from the date of demand, as specified in Clause 16 of the T&Cs;</p> <p>(j) If the Assets are not hypothecated in favour of the Lender in the manner and within number of days or taking delivery of the Assets as specified in Clause 17.1(e) of the T&Cs and as specified in the Sanction Letter.</p> <p>(k) In the event of the Lender deciding to take repossession of the Assets, the Lender shall give the Obligors, a notice of not less than the 24 hours prior to the repossession of the Assets, as specified in Clause 18.3 of the T&Cs; and</p> <p>(l) If after Demand Notice, the Borrower and/or Guarantor fail to pay the amounts outstanding under the Facility Documents within 1 business days, the Lender may repossess the Assets, as specified in Clause 18.5.1 of the T&Cs.</p>
15)	Deviations to T & Cs (if any)	



		<p>Clause 28 ARBITRATION shall stand amended as under</p> <p>"In case of any dispute, difference or claim arises between any of the Obligors and the Lender in connection with the Facility, the same shall be settled as per arbitration process set out in the Facility Documents."</p>
16)	Additional Conditions (if any)	<p>1. The Obligor/s undertakes to seek consent from the Lender in case of change in composition of the Board of Director/s (if applicable).</p> <p>2. The Obligor/s undertakes that all transactions with associate group company/ies shall be genuine and bonafide transactions and on an arm's length basis.</p> <p>3. The Obligor/s undertakes to provide a certificate from a Chartered Accountant and Bank Account statements, within 30 days from the date of each disbursement. The Obligors shall furnish such other documents as may be required by the Lender, from time to time.</p> <p>4. The Obligor/s agrees that TCFSL shall have the right to call back the facility and/or increase the applicable Rate of interest (ROI) by 2.00% over and above the existing rate in the event of downgrading of credit rating (by any credit rating agency) by two notches from the level held by the Obligors at the time of sanction. Where an external credit rating is not available, the internal rating assigned by the Lender shall be considered for this purpose</p> <p>5. Any other conditions as per Sanction Letter</p>

ANNEXURE 2

A- DETAILS OF THE ASSET/S

Sr. No.	Finance required for purchase of / working capital requirement in respect of.	Manufacturer / Model	Serial No	Year of manufacture	Hour meter reading	Name of the Seller & Address	Cost of Assets	Expected date of delivery

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1.	LTV of 80%	Universal Machine Centre – Model G350 – 5 Axles Milling Machine- (3 units)				M/s. Grob-Werke GMBH – Germany	INR 9.60 crs	
2.	LTV of 80%	PSS-R10 – Light-16 positions- (3 units)				M/s. Grob-Werke GMBH – Germany	INR 2.01 Crs	
3.	LTV of 80%	Surfex Robotic 7 Axes Shot peening machine- (1 unit)				M/s. Surface Finishing Equipment Co, Jodhpur	INR 1.66 Crs	

B- ANY OTHER SECURITY/IES

~~BCRA as Ed/Cd/Mutual Funds Lien Marked To TOFO~~

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