



महाराष्ट्र MAHARASHTRA

2022

BT 423490

प्रधान मुद्रांक कार्यालय, मुंबई
प. मु. वि. क्र. 6000020
22 NOV 2022
सदस्य अधिकारी

श्रीमती लता सांगळी

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE
HYPOTHECATION CUM WORKING CAPITAL AGREEMENT
DATED 22ND DECEMBER 2022 EXECUTED AMONG ALLIED
BLENDERS AND DISTILLERS LIMITED
AND CSB BANK LIMITED

1/2/2022 → [Signature]

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HYPOTHECATION CUM WORKING CAPITAL AGREEMENT
(For hypothecation based working capital limits)

THIS MEMORANDUM OF AGREEMENT IS EXECUTED AT Mumbai on this the 22nd day of December of 2022

BETWEEN

M/s. Allied Blenders and Distillers Limited, a company within the meaning of the Companies Act, 1956/ 2013, and having its registered office at 394-C Lamington Chambers Lamington Road, Mumbai 400004 (herein after referred to as "the Borrower" which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, legal representatives/coparceners of the joint family, their survivors, executors, administrators, legal representatives, successors and permitted assign)

For M/s. Allied Blenders and Distillers Limited

For CSB Bank Limited


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AND

CSB BANK Limited, a Banking Company incorporated under the Companies Act 1956 having its Registered Office at Thrissur in Thrissur District, Kerala State and a Branch among other places at Ground Floor, Mafatial House, Backbay Reclamation, Churchgate, Mumbai 400020. (herein after referred to as "the Bank" which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns).

DEFINITIONS:- In these presents unless the context otherwise requires -

- (a) "Book debts and securities" means present and future book debts, outstanding monies, receivables, claims, rentals, bills, invoices, documents, contracts, insurance policies, guarantees, engagements, securities, investments and all other rights of the Borrower either present, future or contingent which affords a ground for maintaining a claim for money or monies worth etc.
- (b) "Due date" means the date if any stipulated in the Sanction Letter/hereunder for payment of principal/interest or any other sum.
- (c) "Fixed Assets" means any temporary building or structures constructed or acquired with Bank's finance and / or any factory or godowns and any Plant and Machineries and other installations which are not permanently embedded or attached to earth and includes machinery lying and all tools, accessories, and spares forming part of such machineries.
- (d) "Goods and Assets" means all goods and assets including including good will, brand, softwares, patents, assets in balance sheet and all current assets, produce, merchandise, raw materials, stock in process, semi-finished/finished goods, goods in transit or in the course of transit or delivery and whether lying loose or kept with the borrower or belonging to or in the possession or control of the borrower either in India or elsewhere and whether acquired before or under or subsequent to these presents and all document of title to goods, goods lying in the premises belonging to the Borrower or lying elsewhere, stored and kept by anybody for and on behalf of the Borrower in any godown, warehouses or storing places and includes any goods/assets appropriated to the contract of purchase made by the Borrower and held in the hands of sellers.
- (e) "Hypothecated Assets" means all assets hypothecated to the Bank including book debts and securities, fixed assets, goods and assets, and all moveable properties and plant and machineries.
- (f) "Loan" means one or more or all the credit facilities specified in the Schedule-I to this agreement.
- (g) "Loan Application" means the application of the Borrower for loan dated 14.10.2022 including particulars/details furnished therein and further particulars if any furnished subsequently.
- (h) "Movable properties" means moveable machineries, equipments, tools, stores and spares and/or consumer articles and accessories, fixtures & furnitures etc.
- (i) "Sanction letter" means letter of sanction Ref: CD/HOCC/131/2022-23/CATMUM/081 dated 02.11.2022 issued by the Bank including modifications issued from time to time and additional terms and conditions if any stipulated by the Bank.

In consideration of the Bank having granted/agreed to grant the credit facilities more particularly described in the Schedule-I to this agreement to the Borrower as per his application, the Borrower hereby agree, undertake and covenant with the Bank as follows:

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1. The Loan shall be subject to the terms and conditions contained in the Sanction letter and these presents including any amendments or modifications thereto.
2. The Bank shall be entitled to open one or more of loan accounts in the name of the Borrower(s) and to disburse the loan amounts through such loan account(s) and to make debits and credits into the account in accordance with the accounting practice of the Bank or as may be stipulated by Reserve bank of India or other competent Authorities under the relevant laws.
3. The Borrower shall repay on demand the Loan together with all interest, compound interest, un applied interest or any other interest or cost or charges and other incidental expenses, legal charges (as between client and advocate on full indemnity basis), service charges, commitment charges, commission, discount, or all other monies at any time payable by the borrower to the Bank in full and/or such balance or balances then outstanding in the cash credit, overdraft or any other loan accounts either debited or accrued and owing to the Bank on such account/accounts including any liability undertaken by the Bank for the Borrower and which may be incurred by the Bank, as stated in Schedule II herein. In the case of limits including Flexi Overdraft limits wherein it is stipulated that repayment shall be by way of equated monthly instalments or other types of fixed payments as specified in Schedule II herein, the drawing power shall be determined in accordance with the margins, if any, stipulated and/or to be arrived at by way of a definite monthly reduction in the limit or otherwise as may be applicable.
4. The Borrower shall utilize the Loan only for the purpose of his trade, business, commercial/ activities, acquisition of assets/machineries as mentioned in the Loan application and related documents/papers submitted to the Bank. The Borrower shall not commit any diversion or mis-utilisation of the funds borrowed from the Bank. If the Bank at any time finds that the cheque (s) presented to the account is intended for purposes other than for genuine business purpose for which the credit limit was sanctioned, the Bank shall have the right to return the same at its discretion and the decision of the Bank in this respect shall be final and conclusive and the Borrower shall have no authority to question the same.
5. The Borrower shall pay interest to the Bank at such rates as specified in Schedule I hereto calculated on daily balance in the account and shall be debited to the account on the last working day of each month in accordance with the practice of the Bank which will become part of the principal if the same is not paid on due date and further interest or overdue interest will be charged thereon. The Borrower hereby agrees that the Bank, unless otherwise stipulated, shall have the right to reset the interest rate on the expiry of the maturity period of the CSB Marginal Cost of Fund Based Lending Rate (hereinafter referred to as MCLR) as stated in Schedule I herein below and to charge such varying rate of interest depending upon the revision in the CSB MCLR or otherwise made by the Bank from time to time without notice to the Borrower(s) provided that the interest payable by the borrower shall be subject to the changes in interest rates made by the Reserve Bank from time to time. Notice regarding change or revision in the rates of interest and charging of overdue interest is expressly hereby waived by the Borrower(s). Notwithstanding such waiver, the Bank will have a right to notify the change in the rate of interest either in its web site or in the Notice Board of the Branch or in newspapers or through the entries in the Pass Book or statement of account sent to the borrowers in their available address and to treat such Notice as sufficient Notice of such change to the Borrower which shall not be questioned by the

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Borrower for whatsoever reasons and such change in the rate of interest shall be binding on the Borrower.

6. Upon occurrence of the following events, the Borrower shall also pay penal / enhanced rate of interest to the Bank at such rate as specified in Schedule I in respect of the "irregular portion" in the account which term shall mean any interest or principal or such other sum that has become due and not paid on due dates and includes any amount outstanding in the account over and above the limit sanctioned/drawing power in the account.
 - a) Accrual of overdue interest/overdrawings above the drawing power/limit on account of interest/devolvement of Letters of Credit/Bank Guarantee/Insufficient stocks and receivables etc for the period of continuance of such overdue interest/overdrawings.
 - b) Delay in submission of stock statements defined as number of days as per Bank Specific Policy
 - c) Non-submission of Audited Balance sheet within eight months of closure of Financial Year.
 - d) Non-submission/delayed submission of FFRS wherever stipulated within due date
 - e) Non-submission of review/renewal data at least one month prior to due date
 - f) Non-obtention of External Credit Risk Rating from agency approved by RBI, if applicable
 - g) Breach of complying with mutually agreed parameters between the Bank and the Borrower vis – a – vis the values approved and the penal interest shall apply from the date of audited balance sheet and shall continue till the breach is cured.
7. As security for the Loan granted / agreed to be granted by the Bank and all the amounts which has already and/or may hereafter become due under these presents, the Borrower hereby hypothecates and charges all the Goods and Assets, and/or Book Debts, and Securities and/or Movable Properties, Fixed Assets , plant and machineries including those more particularly described in Schedule II hereunder by way of primary/ collateral/ further security/ charge for the due repayment of the loan and discharge of all indebtedness whatsoever of the Borrower to the bank in respect of the loan and all other indebtedness/liability of the Borrower to the Bank.
8. The Bank shall not be required to make or continue the advances otherwise than at the Bank's discretion and in no circumstance exceeding an amount at any one time with interest thereon the sanctioned loan/limit amount as stated in schedule I hereunder or the sums as stated in the sanction letter or in any separate letters or arrangements entered into between the Bank and the Borrower whichever is less. However the Bank may in its discretion permit over drawings in the account and the same shall be repaid on demand by the Borrower and such overdrawing shall also be governed by the terms of this agreement unless otherwise specified by the Bank.
9. The Borrowers agrees that the Bank shall have the unqualified discretion to stop further withdrawals in the loan account(s) in the event of the loan account(s) being classified as Non Performing Asset in the books of the Bank or non compliance by the Borrower of any of the terms of sanction of the said Loan(s) or those contained herein or the Borrower committing any default in complying with Statutory demands such as excise duty, sales tax etc in time.
10. The Borrower agree that if any of the loan accounts to which he or it is party, is classified as NPA
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in the Books of the Bank, other accounts where he or it is a party as borrower or guarantor shall also be classified as NPA even if such account (s) is running regular.

11. The Borrower shall at all times maintain Hypothecated Assets of sufficient quantity and value to provide the margin of security required by the Bank and shall forthwith whenever necessary provide further Assets (approved by the Bank) to restore such margin or pay the Bank the equivalent in cash. The Borrower shall also keep in possession the Hypothecated Assets in marketable/good working order/condition or in good repairs and will not part with the possession thereof otherwise than in usual course of business without Bank's prior written permission and any unauthorized disposal of the Hypothecated Assets or the failure to keep the required margin or any unauthorised interference by the Borrower causing loss or reduction or deterioration of the Hypothecated Assets shall be treated as an event of default entitling the Bank to recall the advance forthwith and the decision of the Bank in this respect shall be final and conclusive and shall not be questioned by the Borrower at any time.
12. The Borrower shall submit to the Bank a list of Book Debts and Receivables duly signed with particulars of its debtors before drawing the Loan amount from the Bank and the same will form part of these presents. The borrower shall submit to the Bank such financial statements as may be required by the Bank from time to time and shall also furnish periodically as required by the Bank copies of the Balance Sheet and Profit and Loss Account duly audited and stock statements in the formats as may be prescribed by the Bank from time to time indicating correctly the quantity and value of the stocks and also statements of receivables indicating the names of the debtors, amount of the debts and the periods for which they are outstanding together with a certificate that the quantities and amounts stated are correct and that all stocks are fully covered by insurance unless such insurance is waived by the Bank and will also furnish and verify all statements, reports, returns, certificates and information and will also execute all documents and do all acts and things which the Bank may require to give effect to any of the terms and conditions set out herein or in the security documents or any of them that may be executed and the Borrower authorises the Bank and each of its agents and nominees as Attorney for and in the name of the Borrower to do whatever the Borrower may be required to do under this Agreement.
13. The Borrower shall insure and keep insured all the Hypothecated Assets (as are insurable) in the joint name of the Borrower and the Bank or with the Bank Clause against risk of fire, accidents, theft, break down, damages, riots, civil commotion or any other risk as may be specified by the Bank from time to time for the full market value with an insurance company licensed by IRDA and approved by the Bank and the insurance policies, cover notes, premium receipts etc., shall be delivered to the Bank. If the Borrower fails to effect such insurance and deliver the related documents, the Bank may at its sole discretion, but without being obliged to do so, take out the insurance and debit the charges, costs and connected expenses to the Borrower's account and the Borrower shall be bound to make payment of such amount forthwith. The policies, if any, taken in the sole name of the Borrower with respect to the Hypothecated Assets, shall be delivered to the Bank duly assigned in its favour. The Bank is hereby appointed as the Attorney of the Borrower for the purpose of claiming, settling, compromising all the claims with respect to such policies with the insurance company and to receive the claim amount and adjust the same against Loan dues.

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14. This agreement and the securities created by virtue of this agreement including the Hypothecated Assets shall be a continuing security for all the monies indebtedness and liabilities of the Borrower to the Bank under any account notwithstanding the existence of a credit balance on the said account at any time or any partial payments or fluctuations of accounts and the Bank shall be entitled to adjust, appropriate or set off or exercise lien of or on all monies, securities, goods, instruments held to the credit of or for the benefit of the Borrower(s) on any account or coming into the control or possession of the bank in any of its branches whether for any specified purpose or otherwise with or without any particular mandate and whether singly or jointly towards the discharge and satisfaction of the liability of the Borrower(s).
15. The Borrower shall not commit any act of insolvency and in the event of commencement of insolvency or liquidation proceedings or winding up or dissolution or change in constitution of the Borrower, the same shall be immediately informed to the Bank.
16. It is declared that the Hypothecated Assets are the absolute property of the Borrower at the sole disposal of the Borrower and free from any prior charge or encumbrance and all the future goods and other assets here under shall likewise be the unencumbered absolute and disposable property of the Borrower. The Borrower further Confirms that the said hypothecated assets are not subject matter of any proceedings, or attachments under the income tax Act or any sale tax or under any other like fiscal laws for the time being in force and nobody has any lien or charges over the same and the Borrower agrees that in the event said assets are taken out of the Borrower's premises or custody for servicing or repairs, the Borrower shall make payment of the charges related thereto and restore the said assets in the Borrower's premises and under his possession/custody and in any case such charges shall be subject to Bank's hypothecation charges and security interest.
17. Nothing contained herein shall prejudice any rights or remedies of the Bank in respect of any present or future security, guarantee, obligation, decree, order or certificate for any indebtedness or liability of the Borrower to the Bank.
18. The Bank shall have the right to demand repayment of the balance outstanding in the loan account in lump sum or part thereof at its discretion in case the Borrower has committed any irregularity/default in repayment of the Loan or that the affairs of the Borrower in the opinion of the Bank is conducted in such a manner endangering the repayment capacity of the Borrower or that one or more of the events as stipulated in Clause (19) herein below has happened.
19. Upon the occurrence of any of the following events of default among others, the Bank shall be entitled to call upon the Borrower to repay the amount of the Loan together with all interest and other costs etc., forthwith to the Bank viz.,
 - a) breach of any of the terms and conditions of this agreement including repayment of principal, overdrawings, interest, cost or other monies/dues under the same;
 - b) inability of the Borrower to pay its debts including any debt payable to the Bank in any other account/s either as borrower or guarantor or its failure to pay the amount due to the Bank on due dates under these Presents;
 - c) appointment of any receiver or liquidator in respect of the properties, business or undertakings of the Borrower;

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- d) any distress or execution being levied or enforced against any property or assets whatsoever of the Borrower and such order is not withdrawn within a month thereof or within such time as specified by the Bank;
- e) disposal of Hypothecated Assets otherwise than in the usual course of business;
- f) margin of security as prescribed in the agreement is in the opinion of the Bank not sufficient.
- g) Upon the Bank revising the terms and conditions of the loan or reducing or cancelling the limit at its discretion for whatsoever reasons such as Bank's policy or Borrower's conduct of the account and where the Borrower does not abide by such new or revised Terms and conditions of the loan.

20. That the Bank/ its Agents/ nominees/employees shall be entitled to have free, independent and unimpaired access to the godowns , factories or other places, wherever the hypothecated goods, machineries and other assets are stored/kept and if such godowns are hired by or let to the Borrower, the Borrower agree and undertake to procure a proper and legal lease/license agreement from the owner/s thereof providing for free and independent vehicular access to the Bank /its employees/agents/nominees at all reasonable time/s to such premises and without providing for any preference of charges on the hypothecated assets/goods in favour of the owner of the premises towards arrears of rent and if such agreement do not contain sufficient clauses for the purpose, to make necessary arrangements for such access and the Borrower further agrees that notwithstanding any claim for any unpaid rent, the land lord acknowledges prior claim of the Bank on all the goods and machinery and other assets stored/held therein and hypothecated or mortgaged or otherwise charged to the Bank and Bank or its Agents or nominees shall have the right to move the goods, machinery and other assets so stored/held in the aforesaid premises on termination of the hire or tenancy or otherwise regardless whether or not the rent is in arrears.
21. The Bank, its agents and nominees shall be entitled at all times with or without notice to the Borrower, but at the Borrowers risk and expenses and if so required as Attorney for and in the name of the Borrower to enter any place where the hypothecated assets are kept or stored and inspect, value, insure, superintend disposal and/or take particulars of all or any part of the hypothecated assets and other assets and check any books of accounts or statement of accounts, reports and informations and also on any default of the Borrower in payment of any money hereby secured or the performance of any obligation of the Borrower to the Bank or occurrence of any circumstances in the opinion of the Bank endangers the security.
22. The Borrower further affirms and warrants that all items of the Machinery, Plant and Machinery or equipment either attached or fixed to the earth, temporarily are to be classified as movable and it is not the intention that any item of the machinery shall at any time during the currency of this agreement be permanently embedded to the earth. In the event of the Bank considering any item or items of the said machinery as immovable property at any time during the currency of the Loan, the Borrower shall within 14 days of receipt of a written requisition from the Bank in that behalf execute and register in favour of the Bank a legal mortgage (with or without possession at the option of the Bank) of the machinery or plant and machineries specified by the Bank. The Borrower irrevocably appoints the Bank as the Borrower's attorney to execute and register such mortgage on the failure of the Borrower to do the same within the time limited as

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above and the Borrower agrees to ratify and confirm all acts, deeds and things done by the Bank in pursuance of this authority and in relation thereto.

23. Upon occurrence of any of the events of default specified in Clause (19) above or if the Borrower, on demand by the Bank fails to repay the amount due to the Bank within 15 days of receipt of such demand or such other period as mentioned in the notice, it shall be lawful for the Bank to take possession of the Hypothecated Assets and to recover, receive appoint receiver or give notices and demands to debtors and third parties liable therefore, sue for, recover, receive and give receipts for the same and/or sell or realise by public auction or private contracts or otherwise despatch for realisation or otherwise dispose of or deal with all or any part of the hypothecated and other assets and to enforce, realise, settle, compromise, submit to arbitration and deal in any manner with any rights and debts or claims relating thereto and to complete any engagement and take over and carry on the business of the Borrower through Agents, Managers or otherwise without being bound to exercise any of this powers or being liable for any loss in the exercise thereof and without prejudice to Bank's rights and remedies of suit or otherwise and notwithstanding there may be any pending suit or other proceedings, the Borrower undertakes to give immediate possession to the Bank on demand of the hypothecated/ other assets and give notices to debtors as and when required by the Bank to transfer and deliver relative bills, contracts, securities, papers and documents to the Bank and agree to accept the Bank's account of sales, receipts and realisations as sufficient proof of amount realised and relative expenses and to pay any short fall or deficiency thereby shown provided that the Bank shall be entitled at all times to apply any other money or monies in its hands standing to the credit of or belonging to the Borrower in or towards payment of any amount for the time being payable to the Bank on the credit facilities or otherwise as aforesaid and to recover at any time from the Borrower by legal proceeding or otherwise the balance remaining payable to the Bank.
24. The Borrower hereby authorises and constitutes the Bank as its agent and attorney to take possession of such Hypothecated Asset and also to demand and receive debts due to the Borrower in the name of and on behalf of Borrower, to give receipt thereof and take all such legal action for the realisation of the Hypothecated Assets and apply the proceeds in repayment of the amount due to the Bank under the Loan.
25. The Bank shall have the right to apply any such amount recovered first towards the cost of realisation and thereafter towards repayment of other charges and expenses, interest and then principal due from the Borrower. The balance amount if any shall be distributed among the other secured creditors of the Borrower on paripassu basis or returned to the Borrower as the case may be.
26. The Borrower shall from time to time and at all times during the continuance of the loan keep properties mortgaged, if any in good and substantial state of repairs and shall pay all ground rent, rates, taxes and assessments present as well as future, payable in respect of the same immediately after they shall become due and also to pay all electricity charges, municipal rates/taxes and all other charges in connection with the mortgaged property regularly and punctually and in case the Borrower neglects to keep the aforesaid property or any part thereof in good and substantial repair or pay the ground rent, rates, taxes charges and assessments as aforesaid, it shall be lawful for but not obligatory upon the Bank to repair the said securities or any part thereof and to pay any such ground rent, rates, taxes, charges and assessments. All moneys, premia, costs, charges of such repairs, the payment of ground rent, rates, taxes, charges

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and assessments as aforesaid shall be a charge upon such security jointly with all principal moneys and interest hereby secured as if they formed a part thereof. The Bank through any of its officers/agents or any other person authorised in this behalf shall be entitled to enter upon the mortgaged property and shall be at full liberty to inspect the same and may also get the valuation done in respect thereof.

27. The Borrower hereby undertakes to insure to the satisfaction of the Bank and keep insured the property mortgaged/ to be mortgaged constituting the Bank's security, as and when called upon by the Bank to do so against fire, lightning, flood, earthquake and if called upon to do so against the riot and strike risks in a sum equivalent to its full market value with an insurance licensed by IRDA and approved by the Bank in the joint names of the bank and the Borrower or otherwise as the Bank may require and shall duly and punctually pay all premiums and shall not do or suffer to be done any act which may invalidate or avoid such insurance and shall deposit the insurance policy and all cover notes, premium receipts and other documents connected therewith with the Bank when required by the Bank to do so. If the Borrower fails to effect such insurance the Bank may without being bound to do so insure the said property, against fire or other risks in such joint names and recover the premium and other charges from the Borrower and in the event of the Bank being at any time apprehensive that the safety of the property is likely to be endangered owing to riot and/or strike (including fire arising there from) or for any other reason it may at its sole discretion without being bound to do so insure or require the Borrower to insure the same in such joint names against any damage arising there from, the cost of such extra insurance being recoverable from the Borrower. The Borrower further expressly agrees that the Bank shall be entitled to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise any award made on such arbitration shall be valid and binding on the Borrower and also to receive all moneys payable under any such insurance or under any claim made there under and to give a valid receipt therefore. Any moneys realised from such insurance shall at the option of the Bank be applied either in reinstating the security or in repayment of the loan and interest. Further, the Borrower will not raise any question that a larger sum might or ought to have been received or be entitled to dispute his liability for the balance remaining due on the loan account after such credit.
28. The Borrower agrees that in the event of default by the Guarantor(s) or the Borrower to make payment of insurance premia, taxes or other levies in respect of the properties offered by the Guarantor(s) to the Bank as security in relation to the loan hereby secured, the Bank shall be entitled to effect such payments to the debit of the loan account of the Borrower or to recover the same from the Borrower otherwise.
29. In the event the Borrower creates two or more mortgages in favour of the Bank either as primary or collateral security, the Borrower and mortgagor hereby waives his rights and benefits allowed/conferred under Section 61 and 61A of the Transfer of Property Act, 1882.
30. In case the Borrower commits default in repayment of the Loan or in the payment of interest thereon or any other sum on due date the Bank/the Reserve Bank of India will have an unqualified right to disclose or publish the name of the Borrower or its partners or directors or members of HUF as defaulters in such manner and through such medium as the Bank or the Reserve Bank of

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India in their absolute discretion may think fit and the Borrower agrees that this shall be treated as a precondition of the Loan sanctioned/agreed to be sanctioned by the Bank.

31. The Borrower hereby agrees and consent that the Bank and the Reserve Bank of India will have an unqualified right to disclose, as the Bank may be deem appropriate and necessary, all or any information and data relating to the Borrower and or credit facilities availed or to be availed by the Borrower and or any default committed in discharge of the obligations herein contained by the Borrower to the Credit Information Bureau (India) Ltd and or any other company/agency authorised in this behalf by the Reserve Bank of India and/or any Law in force in India. The Borrower also agrees that the Credit Information Bureau (India) Ltd or any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them and they may furnish for consideration or otherwise, the processed information and data or the products thereof prepared by them to any Banks or financial institutions and other credit granters or registered users as may be specified by the Reserve Bank of India in this regard and the Borrower agrees that this clause shall be treated as a precondition of the Loan sanctioned/agreed to be sanctioned by the Bank.
32. The Borrowers agree that it shall not induct any person(s) who is a Director on the Board of a Company which is or has been identified as a willful defaulter and that in case such a person is found to be on the Board of Directors of the Borrower(s), it would at once take expeditious and effective steps for removal of such persons from its Board.
33. The Borrower declare that the information and data furnished by the Borrower to the Bank are true and correct and further assure that all information to be furnished in future shall likewise be true and correct.
34. No delay or omission to exercise any right, power or remedy accruing to the Bank, upon any breach or default of the Borrower under this Agreement or continuance of such breach/default, shall impair any such right, power or remedy of the Bank nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or if any similar breach or default thereafter occurring.
35. The Hypothecated Assets shall always be kept distinguishable from other assets if any stored or kept in the same premises and the name board of the Bank shall be prominently displayed at the places or premises where the hypothecated assets are kept.
36. The Borrower hereby declares that the Borrower has not availed any Loan from any other branch of the Bank or any other Bank or Financial Institutions or any person nor the Borrower has hypothecated the assets detailed in Schedule III to any other Bank(s) or Financial Institutions or any person other than those disclosed to the Bank. Further the Borrower shall not avail any Loan or hypothecate the said assets to any other branch of the Bank or any other bank or Financial Institutions or any person without the prior permission of the Bank. The Borrower shall also not alienate or dispose off the Hypothecated Assets or any part thereof otherwise than in the usual course of his business, trade or activities without the prior knowledge and consent of the Bank.
37. The Borrower irrevocably constitutes and appoints the Bank to be its true and lawful Attorney (acting through any of its Officials) in the exercise of any or all of the powers conferred on the Bank under these presents and to do all acts, execute all deeds and documents and to perform

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all transactions (that the Borrower is entitled to or bound to do, execute or perform) for and in the name and on behalf of the Borrower for the due discharge and performance of all obligations undertaken by the Borrower under these presents:

38. The Bank may at its sole discretion, grant temporary overdraft in the accounts or additional facilities like purchase of Bills or permit the Borrower to draw in excess of drawing power in any account subject to such terms and conditions as may be stipulated by the Bank and it is agreed that the Borrower shall have no right to compel the Bank to give any such facilities or to grant additional advances or rehabilitation and the decision of the Bank in this respect shall be final and binding on the Borrower and the monies due under such accommodation shall on demand by the Bank be immediately repayable by the Borrower.
39. The Borrower undertakes to furnish further security if any stipulated by the Bank or any other securities to the satisfaction of the Bank.
40. In the event the hypothecated goods or any other goods are permitted by the bank to be processed for shipping and export purpose, the Borrower shall immediately on shipment submit to the Bank, the bills of lading or invoices for air lifting and all other shipping and air lifting documents in respect of the goods together with bills of exchange in respect of the invoice/s thereof drawn by the borrower duly endorsed in bank's favour and lien on the goods shipped will also be conceded to the Bank.
41. The Borrower agrees that the credit facilities granted by the Bank to the Borrower and the securities furnished and security documents executed by the Borrowers/ guarantors shall be the assets of the Bank and the Bank shall be at liberty at any time to shift the outstandings in the loan account/s either in part or whole, to one or more Scheduled Commercial Banks without notice in terms of The Uniform Code Governing Interbank Participations, 1988 or to assign, novate, transfer or otherwise deal with such assets (in any form or manner whatsoever) either in part or whole or to securitize the same and notwithstanding such Interbank Participation/assignment/transfer/ securitization, the Borrower shall unless otherwise notified by the Bank continue to make all payments under the transaction documents to the bank and all such payments when made to the bank shall constitute a full discharge to the Borrowers from all its liabilities in respect of such payments.
42. It is agreed by the Borrower that the Bank shall not in any way be responsible for the quantity, quality, weight, value and final condition of the said assets when they come into its possession and/or to any loss, destruction or deterioration or damage occasioned by theft , pilferage, robbery, fire ,riots and civil commotion , malicious damage, or howsoever may arise including any act , negligence, omission, default of the Officers of the Bank or its agents.
43. The Borrower shall give immediate notice to the Bank with respect to or concerning any change in its Management, its Board of Directors, Capital Structure, Line of Activity, Financial Position, profit, Gross Asset Ownership position, or any circumstance including default in payment of dues to other creditors or payment of taxes, duties, levies, impost or Statutory liabilities which, in the opinion of the Bank, endangers or likely to endanger or adversely affect the repayment capacity of the Borrower.
44. The Borrower covenants with the Bank:-

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- a) That the Borrower shall maintain adequate books of accounts as per applicable accounting practice and standards which shall correctly reflect the financial position and state of operations and the Borrower shall not radically change the accounting systems without notice to the Bank.
 - b) That in the event of default in repayment to the Bank or if cross default has occurred, the Bank will have the right to appoint its nominee on the Board of Directors of the Borrower to look after its interests.
 - c) That the bank shall have the right to convert the loan or any part of it in to equity or other capital as per Regulatory Guidelines, in the event of occurrence of event of default , irregularity in or restructuring of the loan account.
 - d) That unless otherwise expressly permitted, the Bank will have first right on the profits of the Borrower for repayment of the amounts due to the Bank after providing for tax and other statutory liabilities of the Borrower.
 - e) That the Borrower shall ensure that the Promoter's share in the Borrowing entity is not pledged to any Bank or other financial institutions during the currency of the loan without the prior consent of the Bank.
 - f) That the Borrower shall transact its entire business relating to their activity including deposit, remittances, bills/cheque purchase, non-fund based transactions including LCs and BGs, forex transactions, merchant banking, any interest rate or currency hedging business etc.with the Bank except in the case of consortium/multiple bank lending arrangements
 - g) That the Borrower shall not pay any commission to the guarantors in consideration of the guarantees provided to the Bank.
 - h) That the Borrower shall regulate fund based limit both in working capital and term loan through an Escrow mechanism as agreed among Banks to avoid any kind of diversion of funds.
45. Any demand or notice to be made or given by the Bank to the Borrower may be made or sent by fax or other accepted means of communication including through electronic or other mediums, or registered post with acknowledgement due or through any approved courier or leaving the notice at the office of the Borrower in the address furnished to the Bank. The Borrower shall be bound to furnish from time to time any change in the address and in the absence of notification of any change, any notice given in the address originally furnished to the Bank shall be treated as sufficient notice to the Borrower.
46. (1) The Borrower irrevocably constitutes and appoints the Bank to be the Borrower's true and lawful Attorney to do and execute for and in the name and on behalf of the Borrower all or any of the following acts deeds and things, namely
- a) To take over manage and carry on the business of the Borrower, and complete any engagements, contracts or purchases.
 - b) To sign, register, file any application forms, contracts, agreements, transfers, acceptances, receipts, acquittances, returns and any other documents and to sign and endorse all cheques, promissory notes, bills of exchange, bills of lading, dividend, mandates or other orders for payment of money or delivery of property.
 - c) To sell, transfer, realize, assign, take possession or deal with any goods, machinery or other movable or immovable properties including the goodwill of the business.

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- d) To demand and receive all debts, sums of money, principal money, dividends, interest and dues of whatever nature.
- e) To appoint selling agents and, if necessary, to undertake new kind of activity or to appoint proxies for the purpose of representing the Borrower and voting in meeting or meetings of any Company or Corporation in which the Borrower holds any shares, debentures, stocks etc. or to apply for and obtain any shares debentures or other securities in the name of the Borrower or to sell, endorse, negotiate, transfer and assign any securities, shares, stocks, debentures, funds and other securities which do now or shall hereafter stand in the name of the Borrower
- f) To attend and represent the Borrower before any Authority or Tribunal and for the purpose of sign, execute and deliver all such documents and make all such declarations as may be necessary.
- g) Generally to act in the premises as fully effectually with all intents and purposes and generally to act in the above premises as fully and effectually with all intents and purposes and to do all things as are necessary and which the Borrower(s) himself would do if personally present ,
- h) For all and any of the purposes aforesaid to appoint a substitute or substitutes.

46. (2) The Borrower hereby ratifies and confirms all the acts, things, deeds performed or to be performed by the Bank or its nominee or its substitutes in pursuance of any of the aforesaid powers and the powers hereby conferred shall not be determined or affected by the fact of the Borrower acting personally or through another in the premises.

46. (3) The powers shall subsists in favour of the Bank till all the dues of the Borrower to the Bank are finally satisfied.

46. (4) The aforesaid powers under this clause may be exercised by the Bank in its sole discretion but the exercise of the aforesaid powers is not obligatory on the Bank.

47. The Borrower shall not during the continuance of this Loan without the written consent of the Bank.

- a) change or in any way alter its constitution or capital structure including promoter's share;
- b) effect any scheme of amalgamation or reconstruction;
- c) implement a new scheme of expansion or take up an allied line of business or manufacture;
- d) enlarge the scope of the other trading activities if any undertaken at the time of the application and notified to the Bank as such;
- e) declare a dividend or distribute profits after deduction of taxes, except where the instalments of principal and interest payable to the Bank are being paid regularly;
- f) withdraw or allow to be withdrawn during the currency of the Loan any moneys brought in by the Borrower or the proprietors or partners or directors of the Borrower or pay any interest thereon except where the Borrower is regular in repayment of the Bank's dues ;
- g) invest any funds by way of deposits, or loans or in share capital of any other concerns so long as any money is due to the Bank; the Borrower, will however be free to deposit funds by way of security, with third parties in the normal course of business or if required for the business;
- h) enter into any hire purchase arrangement with any other branch of the Bank or any other bank or other institutions or person;
- i) effect change in the Committee/Board/Person in control or management of the Borrower.

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- j) Enter in to any contractual obligations of a long term nature, or which in the opinion of the Bank is detrimental to lender's interests;
- k) effect any change in the practice with regard to remuneration of Directors by whatsoever means, except where mandated by any legal or regulatory provisions;
- l) Open or operate current accounts with any other bank in respect of the activity financed by the bank/s except in the case of consortium/multiple bank lending arrangements;
- m) guarantee or issue any Letter of Comfort in respect of any loan granted to any other company including group companies.
- n) create any charge, lien or encumbrance over the undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
- o) approach capital markets for mobilizing additional resources either in the form of debt or equity

48. The Borrower agrees to comply with the terms and conditions applicable to Bill Discounting limits as stated hereunder.

- i. that in respect of advances granted by the Bank to the Borrower by way of purchase/negotiation/discount of Indian/Foreign clean/documentary/demand/ usance Bills of Exchange drawn by the Borrower on his/its/their various customers and expressed in foreign currency or Indian rupees and whether under Letters of Credit or otherwise and/or in respect of said bills tendered for collection, the bills shall be drawn in such formats and in conformity with trade practices or as per RBI/Bank's guidelines and they shall be duly stamped and be accompanied by railway receipts or air way bills or bills of lading or transport receipts of approved transport operators, take delivery notes, receipts, challans or inspection notes or any other approved documents of title to goods together with the original invoices evidencing despatch of goods to the parties mentioned therein and they shall be delivered unless otherwise agreed by the Bank only after the acceptance of the same by the drawees and the bills relating to local sales shall be accompanied by copies of invoices bearing acknowledgements of the purchasers in token of their having received the goods and the Bank shall be entitled to recover the amount of bills along with overdue interest and other incidental charges by debit to the account/loan account of the Borrower or otherwise in the event the bill remaining unaccepted on presentation or unpaid on due dates and irrespective of whether the bills are received as returned or not or whether they are lost in transit or lack of any information about fate of the bill.
- ii. (a) that the bills shall be drawn with a usance, ordinarily, of not exceeding 90 days;
- (b) that upcountry or local bills will not be collected by the Borrower through other Banks;
- (c) that the Borrower shall furnish to the Bank in advance a list of local parties on whom the Borrower intends to draw usance bills for prior approval of the Bank;
- (d) that unless otherwise specified the rates for discounting the bills will be the same rate which is applicable to advances granted to the Borrower against stocks;
- (e) that the Bank shall be entitled to charge :

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- i. service charges on the amount of each bill and out-of-pocket expenses towards registration, postal/courier charges etc. per instrument as per the Bank's Schedule of standard charges in force from time to time; and
- ii. overdue interest on bills from the due date to the date of payment and in the case of returned bills from the date of purchase/discount to the date of reimbursement at such rates prescribed by the Bank from time to time; Provided always that the Bank at its discretion shall be entitled to revise the aforesaid charges/interest rate from time to time without notice to the Borrower.
- iii. that the Bank may send the Bills either by Registered with or without acknowledgement due post or by ordinary post or courier or any other approved mode of transmission at its discretion to any of its Branches, offices, correspondents in India or elsewhere or other Banks, institution or agencies or directly to the drawees at the Borrowers risk and responsibility as to the losses if any of the bills or the proceeds of the bills or of the goods represented by the bills due to any cause whatsoever and the Borrower agrees to hold the Bank and its agents or correspondents harmless and indemnified from and against all consequences that may arise from its doing so and from and against all losses, charges and expenses in sending the Bills accepted by the Bank.
- iv. that the Bank shall have first and paramount lien on Bills and the moneys received thereunder and the goods either in course of transit or not covered by the documents of title to goods or other documents which purport to represent rights of title of goods, and all such Bills and documents and goods shall remain pledged/charged to the Bank and the Bank without prejudice to its right as pledgee or charge holders shall have the Banker's lien on all Bills, goods, securities, documents and moneys belonging or purporting to belong to the Borrower for all moneys, claims and demands due or to become due from the Borrower to the Bank and authorise the Bank to accept reduced or part payment of any Bill received by it and such receipt shall be without prejudice to Bank's other rights and remedies of recovery of the amounts covered by the Bills/invoices from the Borrower and the unpaid bills if any received by the Borrower directly shall be immediately returned to the Bank and the failure of the Borrower to do so shall not affect or deprive the Bank of its right to recover the amount covered by the bill from the Borrower.
- v. Notwithstanding any provisions of the Contract Act to the contrary or any other law for the time being in force, in respect of advances against accepted Usance Bills where the Bills are drawn by the Borrower and accepted by the drawees the Borrower agrees that the subsequent credit to the accounts under such facilities unless specifically appropriated by the Bank to any particular bill shall not discharge the debit represented by such bills.
- vi. to waive any right of notice conferred on the borrower by virtue of or under the provisions of law, custom or usage and it shall not be obligatory for the Bank to make a demand from any other person liable on the bills to enforce any rights against such person(s) before enforcing any claim under the unpaid or overdue bills against the borrower.
- vii. that in the event of any Foreign Currency bills remaining unpaid for a period of 30 days after the transit period of 25 days in case of demand bills and 30 days from the notional due date in the case of usance bills, the Bank shall crystallise the foreign currency liability under the

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unpaid bills and convert the same to Rupee liability on the 31st day at the prevailing TT selling rate in the case of Demand Bills and on the 56th day from the notional due date in the case of Usance Bills or as per Foreign Exchange Dealers' Association of India (FEDAI) Rules/RBI directions

viii. that the Borrower shall bear any exchange risk arising from and out of the differences in the rate to be applied on the date of crystallization and/or conversion on receipt of payment advices and make good any such differences forthwith on demand by the Bank and undertakes to indemnify the Bank and keep the Bank harmless and indemnified at all times against all losses, damages, action cost, charges or expenses which may be made against or sustained or incurred by the Bank (and whether paid by the Bank or not) as a result of or in consequences of the Bank having at the request of the Borrower agreed to purchase/negotiate/discount the Bills or on account of non-compliance by the Bank with any instruction of the Borrower in sending the Bills for Collection.

ix. that the Borrower shall arrange with the drawees for waiver of the presentment of on the due date and not to insist on delivery of the discharged bill on the due date and to accept in its place a provisional receipt from the Bank for the payment with an undertaking to deliver the discharged bill in due course.

49. The Borrower hereby agrees and covenants with the bank as hereunder with respect with respect to the facilities granted by the Bank by issue of letters of credit/ guarantees including deferred payment guarantees and indemnities whether in Indian or foreign currencies,

a. To pay and make good to the Bank on demand all monies as may be paid by the Bank or as the Bank may become liable to pay under or by virtue or in respect of any Guarantees and/or Letters of Credit that may be issued by the Bank under the said limits as aforesaid and also at all time hereafter to indemnify and keep indemnified the Bank against all actions proceedings claims and demands duties penalties taxes losses damages costs (as between Attorney and Client) charges expenses and other liabilities whatsoever that may be brought or made against or sustained or incurred by the Bank (and whether paid by the Bank or not) in consequence of the Bank having agreed to issue such Guarantees and / or establish Letters of Credit as aforesaid or otherwise howsoever in relation thereto and also to pay and make good to the Bank on demand any such sum as aforesaid and that the covenants and obligations thereunder shall not be deemed to be satisfied or become inoperative by reason of the cessation at any time of any such Guarantees and / or Letters of Credit that may be issued / established by the Bank as aforesaid but shall continue in force or revive in the event of any subsequent additions, renewals / extensions thereof and shall remain in full force and effect until the obligations under any such Guarantees and / or Letters of Credit or any subsequent additions / renewals / extensions thereof cease/expire by efflux of time or otherwise.

b. The Bank may in its discretion and at the cost of the Borrower admit or compromise and pay or submit to arbitration any dispute or resist any claim or demand made against the Bank under or in respect of such letters of credit, guarantees and indemnities, notwithstanding any directions to the contrary given by the Borrower or any other person

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on the ground of a dispute as to the liability of the Borrower or otherwise and the Borrower agrees and confirms that the Bank may exercise the above rights in their sole, absolute and unqualified discretion and without reference to the Borrower and without the Bank being required to ascertain whether or not there was any breach on the part of the Borrower of the agreement between the Borrower and the Beneficiaries in whose favour the letters of credit/guarantees and/or indemnities are or were executed by the Bank and without the Bank being required to go into the validity or otherwise of the demand for payment made against the Bank the counter-guarantee/ indemnity of the Borrower being available to the Bank in respect of any such action or payment which the Bank may take or make.

- c. Without prejudice to the rights/remedies for recovery of the aforesaid amounts, the Bank shall be entitled to debit such amounts to any of the Cash Credit Account(s) or other Account(s) of the Borrower and the same shall bear interest at the rate(s) applicable to such Facilities and all such amount shall be and always be deemed to have been secured by the securities created/agreed to be created for the said facilities.
 - d. The Borrower shall make out a good and marketable title to its properties to the satisfaction of the Bank and comply with all such formalities as may be necessary or required for the said purpose.
 - e. The Borrower shall maintain such security margin as may be stipulated by the Bank. The Current Asset Cover, unless otherwise agreed to shall not be less than 1.33 times at any point of time. The Borrower shall at all times maintain sufficient quantity of the securities to provide the Asset Cover as may be required by the Bank at its discretion and in the event of any deficiency in such cover forthwith whenever called upon provide to the Bank additional securities to restore such Asset Cover to the original level or pay to the Bank the equivalent in cash in the event of additional securities not being available/insufficient.
 - f. In respect of letters of credit opened or guarantees or indemnities issued by the Bank on behalf of the Borrower, the Borrower shall deposit sufficient cash or other security as may be acceptable to the Bank as margin money as may be stipulated by the Bank. The Bank shall be entitled to and shall at their discretion, which shall be final and binding on the Borrower, change the margins as may be necessary expedient in the circumstances and the Borrower shall be bound by it notwithstanding that the Bank earlier agreed to lower margins.
50. The Borrower agrees that the Bank is entitled to appoint such number of third parties as its agent to collect the installments and other dues to it under this agreement and to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto including sending notices of demand, attending the residence or office of the Borrower or otherwise contacting the Borrower or receiving the amounts due with proper receipts on behalf of the Bank and the Borrower has no objection on such appointments.

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Schedule I Referred to above

Sl No.	Nature of Credit Facility	Limit	Rate of Interest	Rate of Penal Interest
1.	Cash Credit	Rs.50,00,00,000/- (Rupees Fifty Crores Only)	3 Month's CSB Marginal Cost of Funds Based Lending Rate (MCLR) plus 0.65%, presently 9.25% per annum (Floating)	As per sanction
2.	WCDC (Sublimit of CC) with an option to rollover every 6 months	Rs.50,00,00,000/- (Rupees Fifty Crores Only)	3 Month's CSB Marginal Cost of Funds Based Lending Rate (MCLR) plus 0.65%, presently 9.25% per annum (Floating)	As per sanction
3.	Inland LC (Sub-limit of CC)	Rs.20,00,00,000/- (Rupees Twenty Crore Only)	-	As per sanction
4.	PCFC/PSFC (Sublimit of CC)	Rs.20,00,00,000/- (Rupees Twenty Crores Only)	As mutually Agreed	As per sanction

Schedule II referred to above

REPAYMENT PROGRAMME

On demand to pay all sums that is outstanding as balance in the account or such sums as found due and payable with interest at such intervals/rates and rests including all costs and expenses.

Schedule III referred to above

(Furnish the list of Hypothecated assets here)

- ✓ Paripassu first charge on entire current assets of the borrower including standard book debts/receivables of the company (both present and future) except those exclusively charged in favor of other lenders in line with existing working capital lenders.
- ✓ Paripassu second charge on entire Fixed Assets (movable and immovable) of the Company. Written down Value of fixed assets of the firm as on 31.03.2022 was Rs.398.05 crore (Plant and machinery Rs.119.10 crore).

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IN WITNESS WHEREOF the parties hereto have executed these presents the day and year first herein above written.

Signed Sealed and Delivered by

COMMON SEAL of M/s. Allied Blenders and Distillers Limited was hereunto affixed pursuant to a resolution of the Board of Directors of the said Company passed in that behalf on the ___ day of _____ 2022 in the presence of Mr Ramakrishnan Ramaswamy Chief Financial Officer and

_____ who have signed these presents is token thereof

Albaha
✓
✓

Common Seal

Choi Riteeh

Choi Riteeh



Ramki Siv
✓
✓

Albaha

Choi Riteeh
Choi Riteeh



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For CSB Bank Limited

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