

(To be stamped as an agreement)

CREDIT FACILITY AGREEMENT

(FOREIGN BILL PURCHASE)

BETWEEN

_____ **Insert the name of the Borrower** _____

AND

THE SOUTH INDIAN BANK LTD

Amount	Rs.
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This forms part of the Agreement for credit facility executed between _____ **Insert the name of the Borrower** _____ and **The South Indian Bank Ltd.** dated _____

Borrower

The South Indian Bank Ltd.

THIS AGREEMENT is made at the place and date as specified in Schedule I (a) between such persons, whose name(s) and address(es) are as specified in Schedule I (b) (hereinafter referred to as the "**Borrower**" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns and all persons deriving/ claiming title there under)ANDThe South Indian Bank Ltd, a banking company incorporated under the Companies Act, 1913 and having its Registered Office at "SIB House", T.B. Road, Mission Quarters, Thrissur and one of its Branch Offices at the place specified in Schedule I (c) (hereinafter referred to as the "**Bank**" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns)

WHEREAS AT THE REQUEST OF THE BORROWER, the Bank has granted/agreed to grant accommodation to the Borrower by way of Foreign Bills Purchase facility(Hereinafter referred to as the "**Facility**", which expression shall as the context may permit or require, mean any or each of the Facility granted by the Bank, or so much thereof as may be outstanding from time to time) uptothe aggregate limit for the amount more particularly mentioned in Schedule I(d) hereto, against export bills on sight or usance bills drawn by the Borrower in foreign currency or Indian Rupee drawn under a Letter of Credit or otherwise, or against documents by purchase, discount, negotiation or collection tendered in respect of export on consignment basis, more particularly specified in Schedule II hereunder, subject to the terms and conditions contained in the Sanction Letter as well as those embodied in this agreement.

NOW IT IS HEREBY AGREED, DECLARED, RECORDED AND CONFIRMED AS FOLLOWS:-

IN CONSIDERATION OF the Bank agreeing to purchase discount negotiate or collect or make advances to the Borrower under the facility, to the extent of the sum more particularly mentioned in Schedule 1(d) hereto,from time to time, against the security of promissory notes made or endorsed in favour of the Borrower, bills of exchange, cheques or other negotiable instruments drawn by the Borrower under any export letters of credit opened in favour of Borrower or otherwise (hereinafter referred to as "the Bills" and singly the "Bill"), and expressed to be payable either in Indian Rupees (hereinafter referred to as the Foreign Currency Bills and singly as "Foreign Currency Bill") at sight or on demand or after specific usance, clean or accompanied by documents of title to goods including bills of lading, airway bills or other mercantile instruments (hereinafter referred to as "the Documents"), the Borrower unconditionally and irrevocably agree to accept and be bound by the following terms and conditions of purchasing, discounting, negotiation and collection of Bills by the Bank under the above facility.

ARTICLE I

DEFINITIONS

In this Agreement and the General Terms and Conditions, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings viz.:

"Borrower" means the person(s) defined under Section 2.1 of the General Terms and Conditions and specifically named in Schedule I (b) of this Agreement.

"MCLR" means Marginal Cost of Funds based lending rate, which is a tenure linked benchmark, arrived based on the corresponding tenure of a particular advance/ facility.

The actual lending rate shall be determined by adding the components of Spread to MCLR (of appropriate tenure). MCLR of different tenures shall be reviewed and published by the

Bank on the 1st day of every month. The interest rate in a particular loan account will be changed only on the Reset date/ period, irrespective of tenure of MCLR or interim changes in the rates of MCLR. The revised rates (prevailing on the date of reset) shall be made applicable to the loans/ facilities extended, from the 1st day of the corresponding month of the reset period expiry (for the initial reset), irrespective of the actual date of availing and subsequent reset shall be on the 1st day of the corresponding month of reset period fixed.

MCLR prevailing on the date of first disbursement shall be applicable and rate of interest will remain unchanged until the date of next reset, irrespective of interim changes in MCLR.

“General Terms and Conditions” means The South Indian Bank Ltd.’s General Terms and Conditions for Credit Facilities duly registered on the 5th day of March, 2012, with the Sub-Registrar of Assurances-III, Delhi/ New Delhi vide registration No.340 in Book No.4, Vol.No.4,257 from pages 1 to 29, as is applicable to the Credit Facility availed/ to be availed from the Bank, a copy of which is also available on the website of the Bank.

All capitalised terms used but not defined in this Agreement shall have the respective meanings assigned to them under the General Terms and Conditions.

ARTICLE II

TERMS OF THE FACILITY

2.1 PREAMBLE

The preamble portion of this agreement shall be deemed to be an integral part of this agreement.

2.2 GENERAL TERMS AND CONDITIONS

The General Terms and Conditions shall be deemed to form part of this Agreement and shall be read as if they are specifically incorporated herein and to the extent of any inconsistency or repugnancy, the contents of this Agreement shall prevail over the General Terms and conditions for all intents and purposes. The Borrower confirms having accessed the General Terms and Conditions on the website of the Bank and/ or having received a copy of the General Terms and Conditions and confirms having read and understood the General Conditions. The Borrower specifically agrees to the General Terms and Conditions set out therein, as is applicable to the facility granted/ being granted to the borrower.

2.3 BASIS OF AGREEMENT

The Borrower’s Application and subsequent correspondence if any, with the Bank (hereinafter collectively referred to as “the Borrower’s proposals”) and Bank’s sanction letter referred to above shall be deemed to constitute the basis of this Agreement and of the credit facilities.

2.4 DISBURSAL OF THE AMOUNT

The amount that would be credited to Borrower’s current/ advance account with the Bank upon purchasing, discounting or negotiation of any Bills shall, in the case of a Rupee Bill, be the rupee value thereof, and in the case of a Foreign Currency Bill, be the rupee equivalent of the amount of such Bill calculated at Bank’s applicable bill buying rate prevailing on the date of purchasing, discounting or negotiation or at the forward exchange rate if a forward exchange contract is booked by the Borrower through the Bank, after deducting there from the interest payable by the Borrower under the provisions of Clause 2.5 hereunder.

2.5 INTEREST PAYABLE

(a) Interest on the amount of the Bill or, as the case may be, on the said rupee equivalent of the amount of the Foreign Currency Bill, shall be payable upfront by the Borrower at the rate stipulated by the Bank in tune with the guidelines of Reserve Bank of India from time to time for export credits, for the notional/normal transit period as prescribed by the Rules of the Foreign Exchange Dealers' Association of India in force from time to time, in the case of a sight/demand Bill and for the period comprising the notional transit period, usance and grace period (where applicable) in the case of usance Bill. The rate of interest payable under the Foreign Bills Purchase facility is more particularly described in Schedule III hereunder. The interest shall be calculated respectively on the daily balance of the amount due.

(b) The Borrower(s) further agrees(s) that Bank is at liberty to vary the MCLR at periodic intervals depending on tenor/ residual tenor to next reset date and / or the Spread at such rate(s) as may be decided by the Bank from time to time either on account of a revision in the MCLR of the Bank for the corresponding tenor/ residual tenor and/ or deterioration in credit quality/ rating of the Borrower(s) as assessed from time to time by the Bank or otherwise as decided by the Bank from time to time/ as per directives of the Reserve Bank of India as the Borrower(s) agree(s) to pay the interest at such revised rate.

(c) The Borrower specifically waives notice of variation of any change in the interest rate/ rest and notice published in Bank's Notice Board/Web Site of the Bank or entry regarding debit of interest in the statement of account shall be deemed to be sufficient notice of variation in rate of interest/ rest to the Borrower. Further, the Bank will be entitled to effect changes in the 'Spread' from time to time with due intimation to the Borrower and unless and until notified by the Bank, the prevailing Spread will continue to apply and will be added to the applicable/ revised MCLR to determine the effective rate of interest. Provided, further that the interest payable by the Borrower shall also be subject to the changes in the interest rates made by Reserve Bank of India from time to time.

(d) In the case of advances against demand bills, if the bills are realized before the expiry of normal transit period (NTP), interest at the concessive rate shall be charged from the date of advance till the date of realization of such bills. The date of realization of demand bills for this purpose would be the date on which the proceeds get credited to the bank's Nostro accounts.

(e) In the case of advance/credit against usance export bills, interest at the concessive rate may be charged only up to the notional/actual due date or the date on which export proceeds gets credited to the bank's Nostro account abroad, whichever is earlier, irrespective of the date of credit to the borrower's/exporter's account in India. In cases where the correct due date can be established before/immediately after avilment of credit due to acceptance by overseas buyer or otherwise, concessive interest can be applied only up to the actual due date, irrespective of whatever may be the notional due date arrived at, provided the actual due date falls before the normal due date.

(f) In the case of export bills the rate of interest stipulated above will apply up to the due date of the bill. After the due date, viz. for the overdue period rate of interest will be as applicable for ECNOS.

(g) Without prejudice to the above, the Borrower understands that in the event of the account being classified as Non Performing Asset (NPA), the Borrower will be liable to pay interest at the enhanced rate up to the aggregate of the MCLR plus the revised Spread so fixed by the Bank with monthly rests in addition to penal interest @ 2% per annum or such

other rate fixed by the Bank from time to time. In the 'event of default' for reasons other than the account becoming NPA, over and above the contractual rate of interest, the Borrower will be liable to pay penal interest @ 2% or such other rates fixed by the Bank from time to time. Provided further that the charging or payment of such enhanced/additional/penal rate of interest shall be without prejudice to other rights and remedies of the Bank.

2.6 BILLS UNPAID AS ON DATE OF CRYSTALISATION

(a) In the event any Bill remains unpaid on the date fixed by the Bank from time to time for delinking of foreign exchange liability into rupee liability (hereinafter referred to as "date of crystallisation) after the said notional/normal transit period in the case of a sight/demand Bill or after the due date in the case of a usance Bill, then in the case of a Foreign Currency Bill the rupee equivalent of the amount of such Bill shall be recalculated at Bank's applicable TT selling rate prevailing on the date of crystallisation or on the day immediately succeeding the date of crystallisation on which the rate shall be available, if such date of crystallisation falls on a Saturday or holiday, to the intent that in such an event, the Borrower shall be obliged to purchase back from the Bank the amount of foreign currency expressed in such dishonoured Bill, at Bank's TT selling rate prevailing on the date of such recalculation. The recalculated rupee equivalent of the amount of such Foreign Currency Bill or as the case may be, the amount of the dishonoured Rupee Bill shall thenceforth be deemed to be an advance granted to the Borrower by the Bank against the security of such Bill, it being distinctly understood by the Borrower that the exchange risk under the Foreign Currency Bill shall be accordingly be open to Borrower's account and irrespective of the rate of exchange for the foreign currency involved, prevailing on the date of Borrower's repayment and the Borrower will be liable to repay to the Bank the amount of such advance together with interest thereon at the rate mentioned in Clause 2.6 (b) herein and all other monies payable by the Borrower under this Agreement.

(b) If any Bill remains unpaid on the date of crystallisation, interest shall be payable by the Borrower, in the case of Rupee Bill, on the amount thereof, and in the case of the Foreign Currency Bill, on the recalculated rupee equivalent of the amount of such Foreign Currency Bill, from the due date of the Bill till payment or realization, at the maximum rate fixed by the Bank as permitted by the Reserve Bank of India from time to time for the overdue export credits provided that if the advance as mentioned in Clause 2.6 (a) does not get liquidated out of the proceeds of the Bill, then interest shall be payable at the maximum rate fixed by the Bank as permitted by Reserve Bank of India from time to time for overdue commercial advances.

(c) If any Bill remains unpaid beyond the date of crystallisation as aforesaid, the Borrower agrees and undertakes to pay to the Bank within 24 hours after demand is made by the Bank on the Borrower, the advance outstanding in terms of Clause 2.6 (a), together with interest at the rate mentioned in Clause 2.6 (b), as also Bank's swap costs and all other costs, charges and expenses payable by the Borrower under this Agreement.

(d) The Borrower hereby agrees to waive notice of dishonour from the Bank, in case any bill negotiated/sent for collection by it is returned unpaid/unaccepted.

2.7 ADVISE OF REALISATION OF BILL BY BANK

(a) Upon receipt by the Bank of the advise of realization of any Bill, the rupee equivalent of the proceeds of realization, in the case of a Foreign Currency Bill, shall be calculated by the Bank within a reasonable period after receipt by the Bank of the said advise, at Bank's applicable TT buying rate prevailing on the date of such calculation.

(b) Such rupee equivalent of the Foreign Currency Bill or, as the case may be, the amount of the Rupee Bill so realized, shall thereupon be adjusted by the Bank against the amount credited in terms of Clause 2.4 above, or if such Bill has been realized after the date of crystallisation, then against any advance granted or against the advance deemed to be granted by the Bank to the Borrower in terms of Clause 2.6 (a), if it has remained outstanding till then.

(c) In the event of there remaining a surplus after making such adjustment, the surplus shall be available to the Bank for appropriating (so far as the same shall extend) in or towards payment of interest accrued on the said Bill and or towards payment of any other Bill remaining unpaid under the above facility or interest thereon or towards any other dues owing by the Borrower to the Bank whether solely or jointly with any other person, including contingent obligations or other demands legal or equitable on any account whatsoever.

(d) If such proceeds of realization of the Bill are insufficient to liquidate the advance deemed to be granted to the Borrower in terms of Clause 2.6 (a), the Borrower undertakes to pay to the Bank and make good the deficiency forthwith on demand together with interest at the rate mentioned in Clause 2.6 (b) above and all the costs of the Bank including swap costs, charges and expenses payable by the Borrower under this Agreement.

(e) If prior to receipt by the Bank of the advise of realization of a Bill, the Borrower has paid all the dues to the Bank in respect of such Bill in pursuance of Clause 2.6 (c) above, then the Bank shall be at liberty to appropriate or deal with the proceeds of realization of such Bill, in any manner the Bank may deem fit, in or towards reduction or satisfaction of Borrower's liability to the Bank on any account whatsoever whether or not then contingent, and the Borrower agree that in such an event, the Borrower shall not be entitled to receive any interest from the Bank on the amount of such proceeds that may be held by the Bank pending appropriation as aforesaid.

(f) If Bank shall at any time purchase, discount or negotiate any Bill drawn by the Borrower in a foreign currency the value whereof in Bank's sole opinion is likely to depreciate rapidly, or the Bank does not receive within a stipulated period, reimbursement of any Bill which the Bank may have at Borrower's request negotiated under an export letter of credit providing for such reimbursement only upon receipt of the relevant documents by the issuing bank, then and in any such event, the Borrower agrees and undertakes to pay to the Bank without demur or protest on or before the date of crystallisation, the amount of the Bill in the case of a Rupee Bill or the rupee equivalent of the amount of such Bill if it is a Foreign Currency Bill, calculated at Bank's applicable TT selling rate prevailing on the date of payment by the Borrower, to the intent that exchange risk under such circumstances shall be open to Borrower's account. The Borrower also agrees to pay to the Bank interest in accordance with Clause 2.6 (b) as also Bank's swap costs incurred during the entire period commencing from the date of purchasing, discounting, negotiation, and all other costs, charges and expenses.

2.8 BORROWER'S WARRANTY

- a) Notwithstanding anything contained in this agreement or in any other agreement executed or to be executed by the Borrower in favour of the Bank, the Borrower agrees to pay to the Bank on demand being made by the Bank the balances then outstanding and owing to the Bank under the aforesaid credit facilities, inclusive of all interest up to the date of payment, together with any service charges, commitment charges, commission, discount, costs, charges and expenses and all other moneys debited or which may be debited to the account(s).
- b) The Borrower unconditionally and irrevocably agrees with the Bank that all fluctuations in the rate of exchange whether due to devaluation/revaluation or otherwise that may take place or occur on and from the date of advance until the date of the Bank receiving the proceeds of the bill shall be entirely to the Borrower's account and at their entire risk and responsibility. The Borrower also agrees and undertakes with the Bank that any exchange risk arising out of the reversal sale and the subsequent purchase shall be liable to be set off or adjusted to the account of the Borrower. Whenever a forward exchange contract is booked by the Borrower through the Bank, the Borrower agrees to pay Bank's charges for such booking or for early or late deliveries, as the case may be, of the relevant foreign currency as also Bank's charges for any cancellation and/or rebooking or early delivery of the contract.
- c) The Borrower agrees that in respect of Bills backed by Letter of Credit, the Bank may allow the credit facility only if the Letter of Credit is issued by a bank in the approved list of the Bank. In the case of non LC backed Bills, the Borrower undertakes to obtain comprehensive risk policy as well as buyer wise policy from Export Credit Guarantee Corporation (ECGC) unless specifically waived by the Bank.
- d) The Borrower also authorizes the Bank to transmit from time to time communications/instructions over cable, telegram, telex, fax or swift in the course of purchasing, discounting or negotiation or collection of any Bills, as the case may be, and also receive advise of realization of any Bill by means of cable, telegram, telex, fax, swift or telecommunication whenever deemed necessary by the Bank. The Borrower also agrees to bear all charges and expenses of such cable, telegram, telex, fax, swift or other means of telecommunication.
- e) The Bank shall be at liberty to refuse to purchase, discount or negotiate any Bill under the above facility without assigning any reasons therefore, or the Bank may instead, in its absolute discretion, make advance to the Borrower against a Bill under the above facility.
- f) The Borrower agrees that all rights, powers and authorities hereby conferred on the Bank shall extend to and may be exercised by the holders for the time being of any Bills and/or the Documents.
- g) The Borrower agrees that the provisions of this Agreement shall be applicable also to the Bills that may have been purchased, discounted or negotiated or accepted by the Bank for collection prior to the date hereof but which may have remained unpaid so far or may not have yet fallen due for payment.

2.9 APPOINTMENT OF AGENT

- a) The Bank may at Borrower's costs, risk and responsibility in all respects, appoint and remove from time to time any agent ("the Agent") for the purpose of collection or realization of the proceeds of Bills which the Bank may have accepted for collection under the above facility, and the Borrower agrees that the Agent for the time being shall be deemed to be Borrower's agent for collection or realization of the proceeds of Bills for Borrower's account. The Bank or the Agent may send the Bills and the Documents to the Drawee or acceptor thereof either by post or any other agency, entirely at Borrower's risk and responsibility.

b) The Bank or the Agent may at Borrower's option accept or receive from the drawee or the acceptor of the Bills, any cheque, bank draft or other mandate for payment in lieu of cash, for full settlement of the Bill and if any such instrument cannot be conveniently collected by the Bank or the Agent through normal banking channel, then the Borrower consents to its collection in any other manner which the Bank or the Agent may deem fit.

c) The Bank and the Agent appointed for the purpose of collection or realization of the proceeds of the Bills which the Bank may have purchased, discounted or negotiated under the above facility, shall be at liberty without in any way affecting Bank's absolute recourse to the Borrower on the Bills and without prejudice to Bank's rights thereunder or hereunder, to hold any collateral securities or to grant time or any other indulgence to or receive payments before maturity or accept part payments after maturity of any Bill from or make any arrangement or compromise with or forebear to sue, the drawee or acceptor of any Bill or any other person liable thereon and the Borrower hereby expressly consents to the Bank or the Agent doing the foregoing without reference to the Borrower, it being understood that the Borrower's liability on the Bills shall cease only upon payment to the Bank of all moneys in respect thereof in accordance with the terms hereof.

d) It shall be lawful for the Bank or the Agent from time to time to have any goods/consignments covered by the Documents valued by an Appraiser or Valuer to be appointed by the Bank or the Agent. The expenses of such valuation including fees of the Appraiser or Valuer shall be debited to Borrower's aforesaid account.

2.10 INSURANCE

The Borrower further agrees to effect insurance of the goods/consignments covered by the Documents, against such risks including risks from sea perils and hazards, as may be required by the Bank or the Agent with an insurance company suggested by the Bank, failing which it shall be lawful for, but not obligatory upon, the Bank or the Agent to effect such insurance as also keep the said goods/consignments duly insured while on the shore against loss from fire, earthquake, theft, riot and civil commotion and deduct the cost and expenses of all such insurance including renewal thereof, from the net proceeds of realization of the Bills or debit the same to Borrower's aforesaid account. All sums received under any such insurance shall after deduction therefrom of all expenses, be applied in or towards liquidation of the balance due to the Bank for the time being under the above facility. In the event of a claim arising under any insurance policy, the Bank and the Agent shall be entitled to negotiate and settle such claim without any reference to the Borrower.

2.11 STORAGE OF GOODS/ CONSIGNMENT

The Borrower further agrees that the goods/consignments covered by the Documents may be stored at any public or private warehouse or godowns and shall be kept under Bank's or Agent's exclusive possession and control until payment of the relative Bills. If the storage charges are not paid by the drawee or acceptor of any Bill, the same may be deducted from the net proceeds of realization thereof or may be debited at Bank's option to Borrower's aforesaid account with the Bank. The Bank and the Agent shall not be in any way liable or responsible for any loss, damage or depreciation which the said goods/consignments may suffer or sustain on any account whatsoever nor shall the Bank or Agent be responsible for any shortage resulting from theft or pilferage while the said goods/consignments remain in Bank's or Agent's possession or control.

2.12

OCURANCE OF CERTAIN EVENTS

If any of the events specified as clauses (i) to (iv) hereunder shall have occurred and be continuing, the Borrower agrees to the clauses (a) to (d) hereunder, as applicable:

(i) any Bill is dishonoured on presentation, whether for acceptance or payment by the drawee or acceptor thereof;

(ii) If the Borrower or the drawee or acceptor of any Bill shall become insolvent or be unable to pay debts as they mature or commit or permit any act of bankruptcy, re-organisation, winding-up or liquidation proceeding or other proceeding analogous in purpose and effect, (b) the failure by the Borrower or the drawee or acceptor of any Bill to have any such petition which may have been filed by another party discharged within 30 days, (c) the passing of resolution for the voluntary winding up of Borrower or such drawee or acceptor, (d) the application for or consent to the appointment of a Receiver, Trustee, Liquidator or similar officer for the bankruptcy, re-organisation, winding-up or liquidation of Borrower or of the drawee or acceptor of any Bill or a substantial portion of properties and assets of Borrower/Drawee/Acceptor, (e) the making of an assignment by the Borrower or by any such drawee or acceptor for the benefit of the creditors, (f) the entry of any court order or judgment confirming the bankruptcy of Borrower or drawee or acceptor or approving any re-organisation, winding up or liquidation of Borrower or drawee or acceptor of any Bill.

(iii) There shall occur a disturbance in the financial markets for any legislation shall be enacted or a decree adopted in India or elsewhere at the place for payment of any Bill, or any other adverse charge or circumstances of any kind whatsoever shall occur whereby as a direct or indirect consequence, in Bank's or Agent's opinion, it is likely to imperil or preclude the fulfillment of the obligations of the drawee or acceptor under any of the Bills or of Borrower's obligations under the Bills or under this Agreement; or

(iv) The Borrower fail to pay any moneys due to the Bank under any other agreement or document evidencing, securing, guaranteeing or otherwise relating to Borrower's indebtedness to the Bank in respect of any other facility granted to the Borrower at his/her/its request, by the Bank and in such event;

(a) The provisions of Clause 2.6 shall apply notwithstanding that any of the Bills may not have been matured for payment and the Bank may by a written notice to the Borrower terminate Borrower's right to avail of the above facility any further and demand payment from the Borrower of the aggregate amount outstanding in respect of all the advance made to the Borrower by the Bank under the above facility including advances deemed to be made to the Borrower in terms of Clause 2.6 above, together with interest thereon as aforesaid and all costs (legal costs on full indemnity basis), swap costs, charges and expenses payable by the Borrower under this Agreement whereupon the Borrower shall be liable to pay to the Bank the amount demanded within 24 hours of receipt by the Borrower of the said notice without calling for proof of occurrence of any of the aforesaid events, which the Borrower expressly waives. Upon Borrower's failure to make payment to the Bank of the amount in accordance with Bank's said Notice, it shall be lawful for the Bank and the Agent at any time thereafter without prejudice to Bank's rights against the Borrower to sell in public auction or private contract subject to such conditions as the Bank and the Agent may deem fit or otherwise dispose of or deal with the Documents and/or the goods/consignments covered by the Documents or any part thereof for the time being in Bank's or Agent's possession or control, including reimporting the said goods/consignments

back to India entirely at Borrower's risks and responsibility as to costs and consequences, and to enforce, realize, settle, compromise and deal with any rights or claims relating to the Documents and/or said goods/consignments without being bound to exercise any of these powers and the Bank shall not be liable for any loss in the exercise or non-exercise thereof and the Borrower further agree that the Bank and the Agent shall be entitled to admit, reject or refer to arbitration without consulting the Borrower, claims of any person to any Documents or goods/consignments covered by the Documents.

b) The rupee equivalent of the net proceeds of sale of the said goods/consignments shall be calculated by the Bank within a reasonable period after receipt by the Bank of the sale proceeds, at Bank's applicable TT buying rate prevailing on the date of such calculation and shall be applied in or towards payment of the advance granted or deemed to be granted by the Bank, together with interest at the rate and the manner set out in Clause 2.6 and all Bank's costs including swap costs, charges and expenses. If the net sum realized by such sale shall be insufficient to liquidate the dues owing to the Bank, the Borrower shall be liable forthwith on production to the Borrower of an account provided in Sub – Clause (d) below, to pay to the Bank the balance thereby shown. Without affecting Borrower's obligation to pay such balance amount, the Bank shall be entitled, but not bound, to apply any other money or moneys standing to Borrower's credit in any account with the Bank of belonging to the Borrower or any moneys which the Borrower may then or at any time thereafter be entitled to draw from the Bank under any loan, cash credit, overdraft or other arrangements, in or towards payment of such balance due to the Bank and in the event of such money or moneys being insufficient for the discharge in full of such balance, the Borrower agrees and undertakes to pay such balance to the Bank provided always that nothing herein contained shall be deemed to affect or prejudice Bank's rights to recover from the Borrower the amount of any dishonoured Bill or any advance granted to the Borrower against any Bill or otherwise the balance for the time being remaining due to the Bank under the above facility notwithstanding the said goods/consignments may not have been sold.

c) In the event of there being a surplus available of the net proceeds of the said goods/consignments after payment in full of the amount due to the Bank in respect of any dishonoured Bill, it shall be lawful for the Bank to retain and apply such surplus together with any other money or moneys belonging to the Borrower for the time being lying with the Bank under whatever account so far as the same shall extend, in or towards payment or liquidation of any and all other moneys which shall be or become due from the Borrower whether solely or jointly with any other person or persons including obligations, current though not then due or payable or other demands, legal or equitable, which the Bank may have against the Borrower or which the law of set off or mutual credit would in any case admit and irrespective of whether the Borrower shall become or be adjudicated bankrupt or insolvent or be in liquidation or otherwise, with interest and all costs, charges and expenses. Surplus, if any, remaining after settlement of all the claims of the Bank against the Borrower, shall be payable to the Borrower or the person entitled thereto.

d) The Borrower agrees to accept without question in and out of court, as conclusive proof of the amount realized by any such sales as aforesaid and of any sum claimed to be due from the Borrower in respect of any dishonoured Bill or otherwise under this Agreement, and of the cost and expenses incurred in connection with such sale, a statement of account made out from Bank's books of account, signed by Bank's duly authorized officer.

2.13 **AUTHORISATION TO PERMIT PARTIAL DELIVERY**

If any drawee or acceptor of a Documentary Bill shall desire to take delivery of any portion of the goods/consignments thereby covered whether before, at or after maturity of such Bill, or to pay in instalments the amount of a Bill not otherwise so payable, then the Borrower irrevocably authorize the Bank and the Agent, but not so as to make it obligatory, to permit such partial delivery against receiving such part payment of the Bill which the Bank or the Agent may seem to be proportionate to the value of the portion of the goods/consignments so delivered or as the case may be, to accept payment of a Bill in such instalments as the Bank or the Agent may deem proper, without prejudice to Bank's rights against the Borrower under this Agreement.

2.14 BANK/ AGENT NOT LIABLE FOR LOSS

The Borrower further agrees that the Bank and the Agent shall not in any way be responsible for any loss arising from negligence or default if any warehouse keeper, broker, auctioneer or other agent or person employed by the Bank in course of purchase, discount, negotiation or collection of the Bills under the above facility nor shall the Bank or the Agent shall be liable for any loss arising from any delay or error in the transmission of any instructions by any mode of telecommunications or otherwise.

2.15 SPECIAL CONDITIONS

In addition to the other terms and conditions stated in this Agreement, the General Conditions and the other Transaction Documents, the Borrower shall also comply with the terms and conditions specified in Schedule III hereto.

**ARTICLE III
INDEMNITY**

The Borrower agrees to indemnify and keep the Bank and the Agent indemnified against any loss caused to the Bank or the Agent by reason of any defect or discrepancy in any Bill or Document as also against any loss caused by delay in delivery or mis delivery or loss of any Bills, Documents or the goods/consignments covered by the Documents, in the course of transit or otherwise howsoever in the premises.

**ARTICLE IV
MISCELLANEOUS**

4.1 INTERPRETATIONS AND CONSTRUCTION OF THE AGREEMENT

For the purposes of interpretation and construction of this agreement:

- a) Words importing one gender include the other;
- b) Words importing the singular or plural number include the plural and singular numbers respectively;
- c) Any schedule, and the provision and conditions contained in such schedule will have the same effect as if set out in the body of the agreement. In the event oof any conflict between the Schedule and the body of this agreement, the provisions and conditions in the Schedule of this agreement will prevail.
- d) The Section Headings or Chapter Headings used in this Agreement are intended for convenience only and shall not be used in interpreting this agreement or in determining any of the rights/ obligations of the parties to the Agreement.

4.2 SEVERABILITY OF PROVISIONS

The Borrower agrees that except as otherwise provided herein, if any provisions of this agreement shall be held by a Court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions and clauses shall remain in full force and effect.

4.3 WAIVER OF RIGHTS INCONSISTENT TO THE AGREEMENT

The Borrower(s)/ Applicant(s) hereby further waive all his/ her/their rights inconsistent herewith which the Borrower(s)/ Applicant(s) may otherwise be entitled to claim and enforce in respect thereof.

4.4 VALIDITY OF THE AGREEMENT

This agreement shall be valid and binding on the Borrower till the ultimate balance with interest thereon to become payable upon the said loan account including all moneys lent, advanced, paid or incurred together with interest, discount, commission and other banking charges as fixed by the bank from time to time and other costs, charges and expenses which may become payable in connection therewith.

Borrower

The South Indian Bank Ltd.

SCHEDULE – I

a.	Date and Place of Agreement	
b.	Details of the Borrower(s)	
	Name of the Borrower(s)	
	Constitution of the Borrower(s)	
	PAN/ TAN/ CIN of the Borrower	
	Name(s) of the signatories/ authorised signatory(ies)	
	Address of the Borrower	
	Fax No/s.	
	E-mail id	
	Phone No/s.	
	Attn: Mr./Ms.	
c.	Details of the Branch	
	Place of the Branch	
	Address of the Branch	
	Fax No/s.	
	E-mail id	
	Phone No/s.	
d.	Details of facility	
	Date of Sanction letter (LD 1100/ 1100A)	
	Nature of loan	Foreign Bill Purchase
	Amount of facility (in figures)	
	Amount of facility (in words)	

SCHEDULE II

DETAILS OF LOAN/LIMITS

NATURE OF LOAN/LIMIT	TOTAL LOAN/ LIMIT	SUB-LIMIT (SPECIFY DETAILS)

SCHEDULE III

RATE OF INTEREST

POST SHIPMENT CREDIT (FROM DATE OF ADVANCE)	RATE OF INTEREST
a) On demand bills for transit period (as specified by FEDAI)	
b) Usance Bills (for total period comprising usance period of export bills, transit period as specified by FEDAI and grace period wherever applicable) i) Up to 90 days Beyond 90 days and up to 6 months from the date of shipment.	
c) Against incentives receivable from Government covered by ECGC Guarantee up to 90 days.	
d) Against undrawn balances (upto 90 days)	
e) Against retention money (for Supplies portion only) payable within one year from the date of shipment (up to 90 days)	
f) Deferred Credit beyond 180 days	___%, being ___% above Bank's MCLR (Current MCLR being ___%).
g) Export Credit Not Otherwise Specified (ECNOS)	___%, being ___% above Bank's MCLR (Current MCLR being ___%).

SCHEDULE - IV SPECIAL CONDITIONS

Borrower

The South Indian Bank Ltd.