अपाम ८

SPECIMEN

# SECOND HYPOTHECATION DEED

In consideration of the **ANNASAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL LTD.,** (A government of Maharashtra undertaking) a Limited Company incorporated under the Companies Act, 1956, having its Registered Office at G.T. Hospital Compound, Badruddin Taiyabji Marg, Behind J.J. School of Arts, Near C.S.T. Railway Station Mumbai 400 001 hereinafter called "The corporation" at the

request of _____

_____

residing at _____

_____

carrying on business of _____

in the name and style of M/s. _____

at _____

_____

hereinafter called "THE BORROWER" ( which expression shall unless repugnant to the subject or context or meaning thereof be deemed to mean and include his/her heirs, executors and administrators of such survivor and his/her or their successors).

OR

_____

_____

_____

carrying on business of _____

in the name and style and firm of MESSRS. _____

at _____

_____

hereinafter called "THE BORROWERS" ( which expression shall unless it be repugnant to the context or meaning thereof include the survivors or survivor of them and the heirs, executors and administrators of such survivor their, his or her assigns and other partners or persons for the time being of the said firm as may hereafter be constituted ).

...2...

OR

PRIVATE LIMITED a private limited company incorporated and registered under the Companies Act, 1956 and having its registered office at _____

_____

and carrying on business of _____

_____ hereinafter called " THE BORROWER " ( which expression shall unless repugnant to the subject context or meaning thereof be deemed to mean and include its successors and assigns) having agreed to lend and advance an aggregate sum of Rs. _____ ( Rupees _____ ) being loan towards Fixed Capital and Rs. _____ ( Rupees _____ ) being loan towards working capital on the execution of these presents on the security of all the plant and machinery, articles, chattels, vehicle, and things loose lying at _____

_____ as also all the proposed plant and machinery articles, chattels, vehicle and things and all the raw materials, goods in process, semi-finished goods and stores etc. lying at _____

_____ ( hereinafter referred to as " the Hypothecated Assets") and more particularly specified in Clause No.2 hereinafter as the Borrowers do hereby admit and knowledge and to be secured by this Hypothecation of the Hypothecated Assets with the Corporation and in the manner and on the terms hereinafter contained.

WHEREAS

(A) The Borrower/s is/are a proprietory concern/partnership firm/private limited company duly registered under _____

and having his/her their/its office at _____

and having his/her their/its factory at _____

(B) The Borrower/s has/have borrowed form the Bank namely _____ (hereinafter called "The Bank/MSFC") certain facilities on the terms and conditions recorded in the Bank's/ MSFC's sanction letter bearing No. _____ dated _____ addressed to the Borrower/Corporation viz.

*Rider I-*

*(i)* A Term loan of Rs. _____ ( Rupees _____

_____ only ) secured *inter alia* on the hypothecation of the vehicle/articles, purchased or then to be purchased by Borrower/s and situated laying and being at _____

_____

*(ii)* A Cash Credit of Rs. _____ ( Rupees _____

_____ only ) *inter alia* on the hypothecation of stock in trade such as _____ etc.

(C) Borrower/s has/have by his/her/its/their application requested to Corporation to lent and advance to him/her/them the sum of 10 per cent / 20 per cent of the total project cost as Margin

...3...

Money Loan upon the basis and for the purpose setforth in borrower's application dated _____ day of _____ 19 _____ for loan and the Corporation has agreed to sanction and advance a sum of Rs. _____ ( Rupees _____ ) as loan towards fixed capital and Rs. _____ ( Rupees _____ ) and as loan towards working capital _____ both aggregating to Rs. _____ ( Rupees _____ ) by its sanction letter No. _____ dated _____ 19 _____ addressed to the Borrower/s on the terms and conditions therein and also contained in the subsequent correspondence exchanged with the Borrower/s

(D) To secure repayment of the said aggregate loan of Rs. _____ ( Rupees _____ ) together with interest and other moneys that may become due and payable by the Borrower/s to the Corporation the Borrower/s has/ have agreed to create a Deed of Second Hypothecation ( being these presents ) by way of second charge in favour of the Corporation in respect of all the hypothecated assets of the Borrower/s situate lying and being at _____ and more particularly described in general terms in the Schedule hereunder written and further articles, items etc., that may hereafter be purchased by the Borrower/s subject, however to the first charge of hypothecation in favour of the Bank/MSFC for Rs. _____ and in favour of the Bank in respect of the said hypothecated items situate lying and being at _____ _____

(F) The Bank/MSFC has/have issued a NO OBJECTION letter bearing No. _____ dated _____ addressed by the Bank of the Borrower/Corporation stating that the Bank will have NO OBJECTION on the Borrower/s creating a second charge over the hypothecated assets to secure the said aggregate sum of Rs. _____ in favour of the Corporation.

IT IS HEREBY AGREED BY THE BORROWERS WITH THE CORPORATION AS UNDER :-

1. In pursuance of the said agreement and in consideration of the sum of Rs. _____ ( Rupees _____ ) lent advance and paid by the Corporation to the borrower before the sealing and delivery of these presents ( the payment and receipt whereof the borrower/s do and each of them doth hereby admit and acknowledge). The Borrower and each of them both hereby covenant and agree and undertake to repay the said sum of Rs. _____ ( Rupees _____ _____ ) advanced as Margin Money loan towards Fixed/Working capital, to the Corporation at its Head Office in Mumbai or at its Regional Office at _____ or its district office at _____ within the period of _____ year _____ months by Equal Monthly/Quarterly/Half-yearly instalments in the manner hereinafter mentioned.

1. Rs. ..... on ..... in day of ..... 19
2. Rs. ..... on ..... in day of ..... 19
3. Rs. ..... on ..... in day of ..... 19
4. Rs. ..... on ..... in day of ..... 19

5. Rs. ..... on ..... in day of ..... 19
6. Rs. ..... on ..... in day of ..... 19
7. Rs. ..... on ..... in day of ..... 19
8. Rs. ..... on ..... in day of ..... 19
9. Rs. ..... on ..... in day of ..... 19
10. Rs. ..... on ..... in day of ..... 19
11. Rs. ..... on ..... in day of ..... 19

and

12. Rs. ..... on ..... in day of ..... 19

PROVIDED FURTHER that the period from the date of disbursement of advance till borrower/s pay/s off the Banks loan or _____ the day of _____ 19 whichever is earlier shall be treated as period of Moratorium.

2. The Borrower/s hereby pledge/s hypothecate/s with the Corporation by way of Second Charge, the said Motor Trucks/Taxis/Auto-rickshaws/Matadors together with spare parts and accesories equipment tools and chattles, all the plant fixed and unfixed machinery, fixtures, implements, fittings and other installation, furniture, vehicles, typewriters and all other articles and things fixed or lying on the said premises or any godowns of the Borrowers in or in the hands of any person as Mercantile Agent of the Borrower/s or in the course of transit described in the general terms in the schedule hereto together with all stock in trade, raw materials, goods in process semi-finished and finished goods and stores lying at factory godown or elsewhere (hereinafter called " the hypothecated assets ",) which now or hereafter from time to time during the security shall be brought in or be in or used or about the premises utilised by the said Borrower/s as security for payment by the Borrower/s to the Corporation of the balance due to the Corporation at any time or as recorded in the books of account of the Corporation of all moneys advanced by the Corporation to the Borrower/s and for payment of all debts and liabilities due by the Borrower/s to the Corporation thereunder. The expression " the balance due to the Corporation " in this and the subsequent clauses of this Agreement shall be taken to include the balance of the moneys from time to time due under the account of the Borrower/s with the Corporation and also all interest thereon at the rate mentioned in the said letter of sanction and the amount of all charges and expenses which the Corporation may have paid or incurred in any way in connection with the hypothecated assets or the sale or disposal thereof.

3. That the hypothecated assets shall be held as the Corporations exclusive property specially appropriated to this security subject however to the charge intended to be created by the Borrower/s in favour of Bank/M.S.F.C. _____ and the Borrowers will not except with the consent in writing of the Corporation, create any mortgage, charge, lien or incumbrances thereon affecting the same " or any part " thereof nor do anything which would prejudice this security same and except the charge in favour of Bank/M.S.F.C. _____

4. The Borrowers shall permit the Corporation its agents, servants and technical experts from

...5...

time to time and at all time to enter upon any builiding or any premises where the hypothecated assets or any spares or equipment thereof may be lying and to view inspect and value the same and take inventories thereof to ensure the efficient working of the hypothecated assets and to render to the Corporation and to their servants all facilities as may be required for any of the purposes aforesaid. The Borrowers shall carry out all the suggestions and directions that may be given by the Corporation in that behalf and shall bear and pay all fees and expenses that may be incurred by the Corporation in connection with such inspection, valuation and technical consultation and the carrying out of all such suggestions and directions and all such fees and expenses together with interest thereon at the rate of interest hereinafter specified shall be a charge on the hypothecated assets for due payment of all the dues of the Corporation.

5. The Borrowers shall pay the rates, taxes, outgoings and other charges payable to any authority for the maintenance and upkeep of the hypothecated assets or the place where they are stored and shall keep the same free form any distress.

6. *(i)* The Borrowers shall at all time during the continuance of this security and from time to time insure the hypothecated assets and keep in insured against loss or damage by fire, riot civil commotions, strikes, comprehensive or any other risk as may at any time or times be required by the Corporation or by law in the joint names of the Corporation and the Borrowers with insurance Company/Companies previously determined in writing by the Corporation to the extent of the full market value thereof and punctual pay the premium dur for such insurance and that the coger "note" or due the "insurance" policy/policies or certificate/s shall be deposited by the Borrowers with the Corporation.

*(ii)* If the Borrowers fail to effect such insurance the Corporation may but without being bound to do so insure the hypothecated assets against any one or more of the aforesaid risks as may be deemed necessary by the Corporation in its absolute discretion and debit the premium and other charges to such account or accounts maintained by the Corporation.

*(iii)* In the event of loss, destruction by fire or otherwise or damage to the hypothecated assets or any of them or any part thereof the Corporation shall be entitled to recover and receive all moneys payable in respect of the insurance. In the event of the Corporation not receiving the amount payable in respect of the insurance either wholly or partially for any reason whatever the Borrowers shall be bound to pay forthwith the balance due to the Corporation on demand.

*(iv)* All sums of money recovered or received under the last proceeding sub-clause may at the option of the Corporation be applied towards the liquidation and satisfaction of the balance due to Corporation and if any surplus shall remain in the hands of the Corporation after such application thereof as aforesaid such surplus shall remain at the disposal of the Borrowers but if the sum or sums or money realised from the insurance be insufficient to cover the balance due to Corporation as aforesaid the Borrowers agree forthwith to repay to the Corporation the deficiency on demand.

*(v)* The Corporation shall be entitled to adjust settle compromise or refer to arbitration any dispute between the Insurance Company/Companies and the Borrowers arising under or in connection with the Insurance Policy/Policies and such adjustment / settlement compromise and any award made

...6...

on such arbitration shall be valid and binding on the Borrowers.

*(vi)* The Borrowers shall not at any time raise any question that larger sum might or ought to have been received under such settlement, compromise or award as the case may be or be entitled to dispute its liability for the balance remaining due to the Corporation as the same shall be final and binding on the Borrowers.

7. That the Borrowers shall make and furnish to the Corporation all statements and return of the cost and market value of the hypothecated assets and produce such evidence in support thereof as the Corporation may from time to time require and shall maintain in favour of the Corporation such margin as may be decided by the Corporation of the written down value. The said margin shall be calculated on the vost price or open market value of the hypothecated assets as fixed by the Corporation from time to time and shall be maintained by the Borrowers by such payment by the Borrowers immediately on the market value for the time being of the hypothecated assets becoming less than the aggregate of the balance due to the Corporation plus amount of the margin as calculated above.

8. Interest at ..... per cent per annum shall be calculated and charged with six monthly rates. Such interest shall be payable along with the instalments of the fixed capital loan and working capital loan respectively. During the period of moratorium the interest shall be charged but the first payment of accumulated interest shall be made so far as the loan towards the fixed capital is concerned on the day of 19 . being the date on which the first instalment of the fixed/working capital loan is payable by the Borrowers to the Corporation. The subsequent payments of interest on the fixed capital loan and working capital loan shall be made by the Borrower/s to the Corporation on the dates on which the instalments of repayment of fixed capital loan and working capital loan respectively are payable. Such interest on fixed capital loan and working capital loan shall be paid by the Borrower/ s to the Corporation until the whole of the fixed capital loan and working capital loan are repaid by the Borrowers to the Corporation. IT IS HEREBY FURTHER AGREED that the Borrower/s shall whenever required by the Corporation deposit the amount of interest payable as stated hereinabove to the current account of the corporation with the Bank that may be nominated by the Corporation and intimated by the Corporation to the Borrower/s and the Borrower/s shall upon such payment produce to the Corporation within eight days from the date of deposit the counterfoil of the pay-in-slip in respect of such payment with the Bank nominated by the Corporation.

9. That on demand by the Corporation the Borrowers shall pay to the Corporation the balance then due to the Corporation at the foot of the account together with all further interest at the rate above mentioned and the amount of all further charges and expenses ( if any ) to the date of payment provided that nothing herein contained shall be deemed to prevent the Corporation from demanding payment of the interest for the time being due at the above mentioned rate without at the same time demanding payment of the balance due to the Corporation exclusive of such interest. PROVIDED FURTHER that all interest which shall for the time being accrue due on the said principal sum or any part thereof and which shall for the time being remain unpaid and all other moneys which become payable hereunder shall in case the same be not paid on the days on which they become due carry

interest computed at the same rate aforesaid computed from the respective time of such due dates upon the footings of compound interest computed at the same rate aforesaid with rests taken or made monthly on the days hereinabove provided for payment of interest and all such compound interest shall be charged on the hypothecated assets provided that this provision shall not be deemed to authorise the Borrowers to allow any interest unless permitted so to do by the Corporation and this provision shall also not be deemed to authorise the Borrowers not to pay interest every month and not to pay such other money as aforesaid or the right of the Corporation to take any legal proceeding or other action under these presents.

10. The Corporation and their Officers and Agents shall be entitled in default or payment of the moneys and/or instalments due to the Corporation or in case of any contingency or emergency arising which in the opinion of the Corporation would make it necessary for the Corporation to take possession of the hypothecated assets to enter upon the premises where the hypothecated assets shall be lying and to break upon outer or other doors and to take possession or recover and receive the same and the Corporation shall be entitled to appoint any officer or officers of the Corporation as receivers of the hypothecated assets with power to do all things as full and effectually as the Borrowers could do and/or sell together or in lots either by public auction or private contract or otherwise dispose of or deal with all or any part of the hypothecated assets with liberty to buy in at any sale by auction and to rescind or vary any contract for sale without being bound to exercise any of such power to give effectual receipts and discharge for the purchase money and to do all other acts and things for completing the sale as the Corporation shall think proper and to apply the net sell proceed of such sales in or towards liquidation of the balance due to the Corporation and the Borrowers hereby agree accept the Corporation's statement of the realisation and to pay any shortfall or deficiency therein shown PROVIDED HOWEVER the Corporation shall be entitled to charge and retain as part of the costs charges and expenses incurred in connection herein such commission as the Corporation shall at its sole discretion fix and shall not be liable to account for the same to the Borrowers such commission shall be in addition to any brokerage or outgoing payable in respect of any such sale. If the said proceeds are not sufficient to pay the amount of such commission the Borrowers shall pay the same forthwith to the Corporation on demand.

11. That if the net sum realised by such sale be insufficient to cover the balance then due to the Corporation the Corporation shall be at liberty to sue the Borrowers for the balance thereof and nothing herein contained shall be deemed to negative quality or otherwise prejudice the right of the Corporation to recover from the Borrowers notwithstanding that all or any of the said hypothecated assets or any part thereof not been realised.

12. That if the Corporation shall take possession of the hypothecated assets whether under clause 10 thereof or otherwise whomsoever or shall appoint a Receiver thereof neither the Corporation nor Receiver shall be responsible notwithstanding anything to the Contrary in Section 152 of the Indian Contract Act, for any loss or deterioration of or damage to the hypothecated assets whether by theft, fire, rain, flood, earthquake, lighetening or any other cause whatever.

13. Nothing herein contained shall prejudice or after any general or special lien to which the corporation shall by law or otherwise been titled to operated to prejudice its rights and remedies in repsect of any present or failure security guarantee obligation for any indebetedness or liability of the Borrowers to the Corporation.

14. The Borrowers agree to accept as conclusive proof of the Correctness of any sum claimed to be due from them to the Corporation under the Agreement a statement of account made out from the books of the Corporation and signed by the Accountant and/or other duly authorised officer of the Corporation without the production of any other voucher, document or paper.

15. The Borrowers hereby declare that all the hypothecated assets are the absolute property of the Borrowers at the sole disposal of the Borrowers and free from any prior charge of incumbrances have and except the one in favour of the Bank/M.S.F.C. and that the Borrowers have not done or knowingly suffered or been party or privy to anything whereby they are in anywise prevented from hypothecating the said asset in manner aforesaid and that the Borrowers will do and execute at their costs all such acts and things for further and more particularly assuring the hypothecated asset to the Corporation as shall be required by the Corporation.

16. PROVIDED ALWAYS that this agreement is not to prejudice the rights and remedies of the Corporation against the Borrowers irrespective and independent of this Agreement in respect of any other advance made or to be made by the Corporation to the Borrowers.

17. The Borrowers shall at their expense keep the hypothecated asset in markable and good working condition.

18. That the Borrowers shall keep proper books of accounts of their business and the said firm and shall keep them at all times duly posted and shall permit the Corporation or any person appointed for that
purpose by it to examine such books at all responsible times and make such copies of or extracts therefrom as the Corporation may think fit. The Borrowers shall also have their accounts audited at least once a year by a duly qualified auditor and shall submit a copy of the audited accounts to the Corporation within six months from the closing of each yearly account.

19. In case the Borrowers shall not utilise the hypothecated assets for the purpose for which the loan is granted in terms of the said letter or sanction such default shall be treated as a breach of the terms and conditions hereof.

20. The Borrowers shall furnish and verify all statements reports, return certificates and information form time to time and as required by the Corporation and give and execute any necessary documents required to give effect to this security. The Borrowers shall also give all information and assistance and furnish all such reports as may be required by the Corporation or any person appointed by it in relation to the business of the Borrowers or their accounting and other arrangements or regarding the loan advanced to Borrowers and the use made of each loan and the Corporation

shall without any question or objection by the Borrowers be entitled to furnish to the Government of Maharashtra or Government of India all such information and reports as may have been obtained by the Corporation either from the Borrowers or otherwise howsoever. It is however hereby provided agreed and declared that the Borrowers shall if necessary execute a fresh and proper letter of hypothecation, of the said hypothecated assets in favour of the Government of Maharashtra or Government of India on the analogous terms and conditions in these presents contained at the costs of the Borrowers all such acts deeds and things as the Corporation may require for on in connections herewith.

21. Nothing herein contained shall operate or be deemed to prejudice the right of any presents or future securities guarantees obligation or decree for any other indebtedness or liability of the Borrowers to the Corporation.

22. This agreement shall operate a continuing security for the balance due to the Corporation from time to time and all other money due by the Borrowers to the Corporation as aforesaid.

23. Pending seicure by the Corporation and hypothecated assets and any documents and money received by the Borrowers form any insurance Company shall be held as the Corporation's exclusive property specifically appropriated to this security.

24. The Borrower/s hereby covenant with the Corporation as follows : -

*(a)* That the Borrowers have good right to hypothecate and charge the hypothecated assets by way of Second Charge as aforesaid and declares that the same is and shall be free form any other claim either by way of mortagage lien pledge charge hypothecation or otherwise and as to furture machineries the same shall be the absolute and unencumbered property of the Borrowers with full power of disposition subject however to the charge in favour of the Bank/M.S.F.C

---

*(b)* That during the subsistance of these presents the Borrowers will not create without the Corporation's prior written consent any other terms debt nor mortagage pledge hypothecation charge lien or encumbrances upon in respect of the Hypothecated assets of any of them or any part thereof in any manner whatsoever whether by way of specific mortgage or charge or floating charge or otherwise in favour of any person frim or company other than the Corporation and the Bank/M.S.F.C

---

or otherwise deal with the hyothecated assets or any part thereof except in the regular course of business and only until notice is received from the Corporation of their intention to enforce this Agreement by realisation of their intention to enforce this agreement by realisation of the security herein and will not permit or suffer to be done by act deed matter or thing which may adversely affect or in any way prejudice the security and/or rights of the Corporation herein.

*(c)* That all the agreements, terms and conditions contained in the Corporation said letter of sanction _____ dated _____ addressed to the Borrowers and not specifically set out herein shall be deemed to be part of these present and is they were incorporated and formed part of these present and shall be duly paid observed and performed by the Borrowers.

(d) To utilise the said sum of Rs. _____ for the purpose set out in the said letter of sanction and for no other purposes.

(e) To bring in the balance amount as may be required to complete the scheme as envisaged.

(f) Not to give or let on hire and/or utilise hypothecated assets during the currency of these presents for illegal purposes.

(g) To maintain the hypothecated assets in good working condition.

(h) To execute on demand by the Corporation such further documents as may be requried by the Corporation to vest the hypothecated assets in the Corporation to render the same readily realisable or transferable by the Corporation at ahy time.

(i) The Borrowers shall not make any alteration in or to the hypothecated assets in the course of ordinary repairs without permission of the Corporation and shall not remove or change or allow to be removed.

(j) The Borrowers shall keep the Corporation notified of the address where the hypothecated assets are from time to time kept and every change of the said address shall be intimated to the Corporation 24 hours ( exclusive of Sundays and holidays ) before the same is made.

(k) The Borrowers shall notify the Corporation of any accident loss or damage to the hypothecated assets or any accident loss or damage involving a third party as soon as it shall occur

(l) The Borrowers shall alone are responsible for any breaches of law committed by them a well as their employees and for all claims made by third parties in respect of loss or damage cause by the hypothecated assets and shall keep the Corporation indemnified against all claims and demand made against it in respect or any such breach or loss or damage.

25. The Borrowers shall indemnify absolutely unconditionally and fully and at all times kee indemnified saved defended and harmless the Corporation against all claims, demands, rights, action proceedings of whatsoever kind or nature made taken filed by any person or party and against all a any lossess damages costs charges expenses and liability of any kind or nature whatsoever whi the Corporation may suffer sustain incur or be exposed to in respect of or relating to the hypothecat assets.

26. The Borrowers hereby agree to pay to demand all costs charges and expenses the le costs between attorney and client that may be incurred or suffered by the Corporation in negotiations executions or carrying into effect or in enforcing of this Agreement or in relation to exercise of any power of sale or any other power herein contained or in relation to any act d matter or thing arising out of this Agreement or of and incidental thereof together with interest ther at the rate of _____ per annum.

27. Any notice to be give by the Corporation to Borrowers shall be deemed to have been duly given if dispatched by post address even though returned undelivered on accour refusal by the Borrowers and every such notice shall be deemed to have been received by Borrowers on the expiration of the normal period occupied in trainsit by post from time at whi was put into the post.

...

28. Notwithstanding anything contained herein the Borrowers hereby covenant that the Corporation may by notice require the Borrowers forthwise to discharge in full their liability to the Corporation in the Corporation in the following events, namely : -

(1) (a) If it appears to the Board of Directors of the Corporation that false or misleading information in any material particular was given in the application made by the Borrowers to the Corporation for the loan hereby secured; or

(b) If the Borrowers shall make any default in any of the terms and conditions set out hereinabove.

(c) If there is any reasonable apprehension that the Borrowers are unable to pay debts or proceedings are taken for their or any of their adjudication as insolvent; or

(d) If for any reason it is necessary in the opinion of the Board of Directors of the Corporation to protect the interest of the Corporation.

(2) Over and above the other rights and powers of the Corporation without prejudice to such rights and powers, the Corporation shall have the right by notice in writing to require the Borrowers forthwith to discharge in full their liabilities to the Corporation hereunder in the following cases and in any such case the whole of the amount then remaining payable to the Corporation shall at the option of the Corporation become payable to the Corporation as if the time for payment thereof had expired and the Corporation shall be entitled to exercise all rights and remedies hereunder, namely : -

(a) If default shall be committed by the Borrowers for a period exceeding one month in the payment of any instalment of principal or interest; or

(b) If default shall be committed by the Borrowers or any of them in the observance or performance of any of the covenants conditions or provisions of these presents or of the said letter of sanction ; or

(c) If execution or distress is levied against the whole or any part of the hypothecated assets ; or

(d) If a Receiver is appointed of the hypothecated assets or any part thereof ; or

(e) If the Borrowers shall enter into any arrangement or composition with their creditors or commit any act or default which shall render them liable to the adjudicated insolvent ; or

(f) If the Borrower/s cease/s or threaten/s to cease to carry on their business ; or

(g) If any circumstances shall occur which shall prejudice or impair or imperil or depreciate or is likely to prejudice or impair or imperil or depreciate the security of the Corporation ; or

(h) If any circumstances or event shall occur which would or is in the opinion of the Corporation likely to prejudically or adversely affect in any manner the capacity of the Borrowers to repay the loan to the Corporation.

PROVIDED FURTHER that the decision of the Corporation as to whether any of the aforesaid events or circumstances has occured shall be final conclusive and binding on the Borrower/s.

IN WITNESS WHEREOF the said Borrower/s has/have set his/their hand/s seal/s caused its Common Seal to be affixed hereto at this day of 19

## THE SCHEDULES ABOVE REFERRED TO

All tangible and intangible movable property plant fixed or otherwise machinery fixtures, fittings, electric and other installations transport-vehicle and all other articels fixed and lying on the premises at or in the godowns of the Borrower/s or in the custody of any person who are Mercantile Agents of the Borrower/s together with all stock in trade, raw material, semi-finished and finished goods lying in factory or godown or elsewhere or in the course of transit including all movable assets which may hereafter be brought, stored or be lying in or upon the said premises of etc., Borrower/s which include the following machineries, goods, transport-vehicle article-

List of existing Plant, Machinery, Vehicle or any article to be hypothecated under this agreement

| Serial No. | Descriptions |
|---|---|
| | |

List of Proposed Plant and Machinery to be hypothecated under this agreement

| Serial No. | Descriptions |
|---|---|
| | |

The Schedule above referred to

( Description of the Hypothecated Assets ) ( Truck/Taxi/Matador/Rickshaw, etc. )

(a) Class of Vehicle

(b) Maker's Name

(c) Type of Body

(d) Year of Manufacturing

(e) Number of Cylenders

(f) Chasis Number

(g) Engine Number

(h) Horse power

(i) Seating Capacity

(j) Colour

(k) Registered Weight

(i) Number, description and size of tyres
Registration number

Date of creation of charge.

SIGNED SEALED AND DELIVERED BY
the within named _____
_____ as
Sole Proprietor of the firm of _____
Messrs. _____ ( Shri/Smt. _____ )

SIGNED SEALED AND DELIVERED BY
the within named (1) _____
(2) _____
(3) _____
and
(4) _____
the Partners of the firm of _____
MESSRS. _____ ( Shri/Smt. _____ )
_____

The Common Seal of Messrs. _____
_____
was hereunto affixed pursuant to
the Resolution No. _____
passed by the Board of Directors
in its meeting held on the
day of 19 in the
presence of (1) _____
and (2) _____
both
_____
Directors and (3) _____
_____
Secretary of the Company who
have put their respective hands
hereto in token thereof

Received the day and year first hereinabove written of and from the within named **Annasaheb Patil Arthik Magas Vikas Mahamandal Ltd.** a sum of Rs.
(Rupees )
only being loan towards Fixed and/or Working Capital consideration money within mentioned to be paid by the said corporation to me/us on the sealing and deliery of these presents.

I/WE SAY RECEIVED

( Shri/Smt. _____ )

DATED THIS DAY OF 19

TO

ANNASAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL LTD.,

**SECOND HYPOTHECATION DEED**