

IRREVOCABLE POWER-OF-ATTORNEY

(To be stamped as a General Power of Attorney)

THIS POWER OF ATTORNEY granted at this..... day of..... 2007 by 'A Limited' a company within the meaning of the Companies Act, 1956, and having its registered office at..... (hereinafter referred to as 'the Borrower' which expression shall, unless excluded by or repugnant to the context include its successors and assigns) in favour of..... a corporation constituted by..... and having its Head office at..... (hereinafter referred to as "the LENDER", which expression shall, unless excluded by or repugnant to the context, include its successors and assigns).

1. WHEREAS by an Agreement dated the..... day of..... 2007 (hereinafter referred to as "the said Agreement") made between the 'Borrower' and the 'Lender'. 'Lender' has agreed to grant the 'Borrower' financial assistance by way of a term of Rs..... (Rupees.....) (hereinafter referred to as "the financial assistance") for the purposes and on the terms and conditions set out therein.

2. 'Lender' has stipulated, *inter alia*, that if so required by 'Lender' at any time, the 'Borrower' shall secure Lender's loan of Rs..... (Rupees.....) together with interest, commitment charge, additional interest by way of liquidated damages, costs, charges, expenses and other moneys payable by the Borrower to Lender under the said Agreement by a registered legal mortgage in English form of all the properties of the Borrower immovable and movable, present and future and other assets, including uncalled capital and the charge in favour of the Lender to rank *pari passu* with the charge or charges created and/or to be created by the Borrower in favour of the Lender, AND the charge of Lender on movables to be subject to the charge or charges created and/or to be created by the Borrower in favour of its bankers on stocks of raw-materials, semi-finished and finished goods and consumable stores and book debts and such other movables as may be permitted by Lender in writing to secure borrowings for working capital requirements.

3. Lender has also stipulated that the Borrower shall, for the aforesaid purpose, execute an undertaking in favour of the Lender and shall simultaneously with the execution of such undertaking, grant an irrevocable power of attorney to the Lender, being these presents, authorising the Lender to execute in favour of itself a first legal mortgage in English form for and on behalf of the Borrower in the event of the Borrower failing, when required by the Lender, to duly execute and register a first legal mortgage in English form of all its immovable and movable properties as aforesaid.

4. The Lender has called upon the Borrower to execute these presents which the Borrower has agreed to do in the manner hereinafter expressed.

NOW THIS DEED WITNESSETH THAT in consideration of the Lender having sanctioned the said financial assistance to the Borrower, the Borrower hereby *irrevocably* appoints the Lender to be the true and lawful attorney of the Borrower in the name and for and on behalf of the Borrower to do, execute and perform the following acts, deeds and things, namely:

(i) To make, execute, sign, seal and deliver in favour of the Lender, at the expense of the Borrower, in all respects, a first legal mortgage in English form of all its immovable and movable properties, present and future, including lands, here-ditaments and premises and fixed plants and machinery and uncalled capital agreed to be mortgaged to the Lender, with all such covenants, conditions, provisions, and stipulations, as may, in the absolute discretion of the Lender, be deemed necessary or expedient and in particular granting in favour of the Lender a right to take over the management of the Borrower, a right to appoint a receiver of the undertaking of the Borrower and a right to sell the Borrower's properties without intervention of the Court, for the purposes of securing to the Lender all the moneys payable by the Borrower's under the said Agreement, as aforesaid, the charge of the Lender to rank *pari passu* with the charge or charges created and/or to be created by the Borrower in favour of the Lenders for the purposes and in the manner mentioned therein. PROVIDED THAT the charge of the Lender on movables shall be subject to the charge or charges created and/or to be created by the Borrower in favour of its bankers on

its stocks of raw materials, semi-finished and finished goods and consumable stores and book debts and such other movables as may be permitted by the Lenders in writing to secure borrowings for working capital requirements.

(ii) To investigate or cause to be investigated, at the expense of the Borrower in all respects, the Borrowers' title to the immovable properties agreed to be mortgaged by the Borrower to the Lender and to take all steps to make out title to the said properties to the satisfaction of the Lender as and when required by the Lender.

(iii) To apply for and obtain necessary clearance certificates under Section 230A of the Income Tax Act, 1961.

(iv) To do or cause to be done all such acts, deeds and things as may be necessary or proper for the effectual completion and registration of the said mortgage.

(v) AND GENERALLY to do or cause to be done every other act, matter or thing which the LENDER may deem necessary or expedient for the purposes of or in relation to these present.

(vi) The Borrower hereby agrees to deposit in advance with the Lenders sufficient sums to cover the expenses to be incurred on investigation of title, stamp duty and registration charges and other miscellaneous expenses for the purpose of and in connection with the execution and registration of the said mortgage deed in English form.

In the event of failure on the part of the Borrower to deposit sufficient amounts with the Lenders, the Lenders may, but shall not be obliged to, incur the expenditure for the said purposes and the Borrower shall, on receipt of notice of demand from the Lenders, reimburse the same to the Lenders together with interest at the rate stipulated by the Lender from the date of payment by the Lender.

(vii) The Borrower hereby agrees that all or any of the powers hereby conferred upon the Lender may be exercised by any officer or officers of the Lender nominated by the Lender in that behalf.

(viii) AND the Borrower does hereby declare that all and every receipts, documents, deeds, matters and things which shall by the Lender or by any of its officers appointed by the Lender in that behalf, be made, executed or done for the aforesaid purposes by virtue of these presents shall be as good, valid and effectual to all intents and purposes whatsoever as if the same had been made, executed or done by the Borrower in its own name and person. The Borrower hereby agrees to ratify and confirm all that the Lender or any of its officers appointed by the Lender in that behalf shall do or cause to be done in or concerning the premises by virtue of this power of attorney.

(ix) AND the Borrower does hereby declare that this Power of attorney shall be irrevocable.

IN WITNESS WHEREOF the Borrower company has caused its Common Seal to be hereunto affixed the day and year first hereinafter written.

The Common Seal of the Borrower Company was hereunto affixed pursuant to the resolution of its Board of Directors passed on the..... in the presence of Shri..... Director and Shri..... Director who have signed these presents in token thereof.