

*{Undertaking to be executed by the MLIs}*

To  
**The Chief Executive Officer,  
National Credit Guarantee Trustee Company,  
SME Development Centre, 2<sup>nd</sup> floor,  
Plot No.C-11, 'G' Block  
Bandra Kurla Complex, Bandra (East)  
Mumbai-400051**

Dear Sir,

In consideration of the National Credit Guarantee Trustee Company (hereinafter referred to as "the Company" which expression shall, unless repugnant to the context, also include its successors and assigns), agreeing to guarantee under the **Guarantee Scheme for Corporate Debt** (a copy whereof is hereto annexed and which is hereinafter referred to as "the Scheme"), certain credit facilities extended by us to Corporate Debt Market Development Fund (CDMDF), an Alternative Investment Fund constituted as per the terms of the Scheme, we \_\_\_\_\_(Name of the lending Institution) do hereby agree with the Company as follows :

1. That the provisions of this Undertaking shall be in addition to, and not in derogation of, the provisions of the Scheme and the guidelines and instructions issued by the Company from time to time.
2. That the provisions of the Scheme and such modifications as may be made thereto from time to time shall be deemed to be incorporated in this Undertaking and shall be binding on us, in so far they relate to the credit facilities granted by us to CDMDF which have been or are eligible for being guaranteed thereunder.
3. That the provisions of the Scheme and this Undertaking shall be applicable to or in relation to all credit facilities eligible for guarantee under the Scheme.

4. That we shall claim the benefit of the guarantee under the Scheme only in respect of the credit facilities specified in the Scheme and to the extent provided therein and that we shall for this purpose obtain and preserve affidavits or other documents relating to credit facilities extended against which the benefit of the guarantee has been or is to be provided by the Company under the Scheme. If found otherwise, at any stage, the Company shall be at liberty to take such action as it may deem fit.
5. That we agree that credit facilities which cease to be so eligible will, in accordance with and subject to the provisions of the Scheme, be excluded from the benefit of any guarantee and that for this purpose, we shall obtain and preserve information/documents at such intervals as may be required by the Company.
6. That the books of accounts, ledgers and other documents relating to eligible credit facilities availed under the Scheme shall, as far as may be practicable, be segregated and maintained in a proper manner so as to facilitate such scrutiny or inspection as may be undertaken by the Government of India (GOI) or by the Company or by any other person nominated by the Company in this behalf.
7. That we undertake to make available to the Officers of GoI, Company or any agency which may be specified by the Company in this behalf, as the case may be, all our books and records and provide such other facilities as may be required for such scrutiny and inspection.
8. That we give consent that NCGTC may share the information, including data and documents provided by us, with GoI, Credit Bureaus or any other institution or agency appointed by the Company for analysis, scrutiny or inspection or such other matter as deemed fit by the Company.
9. That we shall furnish to the Company a statement in a form and manner required by the Company, showing the outstanding balances with break-up of principal and interest / other expenses details in respect of the eligible credit facilities covered under the Scheme, as and when required by the Company.

10. That we shall furnish to the Company thereafter such statements or information as the Company may require about the eligible credit facilities covered under the Scheme in such form and manner, and at such intervals, as may be required by the Company.
11. That in order to enable the Company to ascertain whether a claim made on it is on account of any eligible credit facility which has been so covered, we shall preserve in good order the detailed statement or statements referred to in clauses 7, 8 and 9 hereof as also the relevant documents relating to the said credit facility.
12. That we shall, in respect of every eligible credit facility covered under the Scheme, exercise due diligence in safeguarding the interest of the Company. We shall, in particular, refrain from any act of omission or commission either prior to or subsequent to invocation of guarantee, which may adversely affect the interest of the Company / Trust as the guarantor.
13. That for invoking the guarantee under the Scheme, we undertake to submit to the Company an application in such form as may be specified by the said Company and furnish such other information as may be required of us by the Company.
14. That we give consent to furnish information to various institutions that the Company may demand from time to time with regard to the eligible credit facilities covered under the Scheme.
15. That notwithstanding anything to the contrary contained in the Scheme, if any loss occurs in respect of credit facilities covered under the Scheme owing to actions / decisions taken contrary to or in contravention of the Scheme guidelines, the Company may take such action, as it may deem fit.
16. That all applications, documents, receipts, statements and other papers shall be signed on behalf of our institution by the Chief Executive Officer or by other persons in our employment who shall be deemed to be authorised by us to sign all such applications, documents, receipts, statements and other papers and that any irregularity in the signature, or want of authority of the persons so signing shall not

in any way affect or prejudice the rights of the Company or affect our liability in respect thereof.

17. That all data, including applications, periodical returns, funds transfer, updated or transferred to the Company in the electronic form, shall be deemed to be signed on behalf of our institution by the Chief Executive Officer or by other persons in our employment who shall be deemed to be authorised by us to sign all such applications, documents, receipts, statements and other papers and that any irregularity in the use of member-id, or want of authority of the persons so signing shall not in any way affect or prejudice the rights of the Company or affect our liability in respect thereof.

18. That we shall introduce and follow such accounting arrangements as may be necessary or as may be required by the Company or take such other steps as may be necessary or expedient for protecting its interests in respect of the outstanding balances on account of credit facilities covered under this guarantee.

19. That this Undertaking shall take effect from the date of signature.

20. That the stamp duty payable on this Undertaking shall be borne by us.

Yours faithfully,

For and on behalf of \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_

Place: \_\_\_\_\_

Date: \_\_\_\_\_

Note:

- (i) This Undertaking is to be executed by the eligible institution for getting itself registered as Member Lending Institution (MLI) to avail of the guarantee facility extended by the Company.
- (ii) This Undertaking is to be executed by an official authorized by appropriate authority of the eligible institution.
- (iii) This Undertaking is to be stamped as an agreement. The liability to stamp duty will depend upon the place where it is executed and/ or acted upon.
- (iv) Kindly enclose resolution from your Board of Directors, approving enrolment as member under the scheme.

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