



LOAN AGREEMENT

This Loan Agreement (“**Agreement**”) is executed at Ahmedabad on this 24th Day of March 2020.

BETWEEN

Aura Securities Private Limited, a company formed and registered under the provisions of the Companies Act, 1956, having its registered office at 1st Floor, Akshay Building, 53, Shrimali Society, B/h Vadilal House, Navrangpura, Ahmedabad – 380 009, Gujarat, India (hereinafter referred to as the “**Lender**” which expression shall, unless repugnant to or inconsistent with the context of meaning thereof, be deemed to include its successors and permitted assigns), of the **One Part**

AND

Arvind Fashions Limited, a company formed and registered under the provisions of the Companies Act, 2013, having its registered office at Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India and corporate office location at 8th Floor, Du Parc Trinity, 17, M G Road, Bengaluru – 560 001, Karnataka, India (hereinafter referred to as the “**Borrower**” which expression shall, unless repugnant to or inconsistent with the context of meaning thereof, be deemed to include its successors and permitted assigns), of the **Other Part**

The Lender and the Borrower are hereinafter referred to individually as “**Party**” and collectively as “**Parties**”.

WHEREAS:

- A. The Borrower is engaged in the business of designing, sourcing, marketing and selling a wide portfolio of men’s, women’s and kids’ branded readymade apparel, footwear and other accessories across multiple owned and licensed brands.

- B. The Lender is one of the corporate promoters of the Borrower and is engaged in the business of making investment in shares and securities and trading in paintings and steels.
- C. The Borrower is in need of funds for the purpose of repayment of its existing debts / debts owned by its subsidiaries, viz., Arvind Lifestyle Brands Limited and Arvind Beauty Brands Retail Private Limited (hereinafter referred to as “**Subsidiaries**”) and for general corporate purposes and has requested the Lender for extending financial assistance to the extent of up to Rs. 50 Crore (Rupees Fifty Crores only).
- D. Based on the request made by the Borrower, the Lender has considered and agreed to provide an unsecured facility of up to Rs. 50 Crore (Rupees Fifty Crores only) to the Borrower.
- E. The Parties to this Agreement are interested in reducing the terms and conditions of granting of Loans by the Lender to the Borrower in writing.

IT IS HEREBY AGREED BETWEEN THE PARTIES HERETO AS UNDER:

- 1. The Lender hereby agrees to grant to the Borrower and the Borrower hereby agrees to avail from the Lender, the loan amount of up to Rs. 50 Crores (Rupees Fifty Crores only) (“**Loan**”) and the Borrower hereby agrees to repay the Loan with the interest in accordance with this Agreement.
- 2. The Borrower shall use all money borrowed under this Agreement for the purpose of repayment of its existing debts / debts owned by its Subsidiaries and/or for general corporate purposes.
- 3. The Loan granted under this Agreement shall be an unsecured loan and shall carry interest at the rate of 8.5% per annum or such other rate of interest as may be mutually decided between the parties.
- 4. The execution and delivery of the Loan documents and the performance by the Borrower of its obligations hereunder will not result in the violation of any indenture or other agreement, written or oral, to which the Borrower is a party or by which it is bound.
- 5. The Loan shall be repayable on demand of the Lender. The Borrower shall repay the Loan within 15 (fifteen) days of such demand. In the event that the Borrower fails to repay the Loan within the said time, the same shall be considered as a default.
- 6. Without prejudice to the terms contained in Clause 5 (*supra*), the Parties hereto hereby agree that–
 - a) The Borrower may, subject to receipt of consent of the Lender, repay the Loan by adjusting the same against the money payable by the Lender for any issue and allotment of equity shares of the Borrower to the Lender and the Lender hereby agrees that such adjustment of the Loan against the money payable by the Lender for any issue and allotment of equity shares of the Borrower shall be deemed to be the full and effectual repayment of the Loan;
 - b) The Lender hereby authorizes the Borrower to adjust outstanding amount of the Loan against the issue and allotment of equity shares of the Borrower to the extent of lower of a) the money payable by the Lender for the number of equity shares validly allotted to the Lender or b) the outstanding amount of the Loan;

- c) The equity shares of the Borrower issued to the Lender pursuant to this Agreement shall be fully paid up and rank *pari-passu* with the existing equity shares of the Borrower and shall be listed on the stock exchanges, where the existing equity shares of the Borrower are listed;
 - d) The adjustment of the Loan as contemplated herein neither gives the Lender a right nor puts the Borrower under an obligation to repay the Loan only by adjusting the same against the issue and allotment of equity shares of the Borrower.
7. The Lender shall, without prejudice to his other rights and remedies, be entitled to recall the Loan at any time before the due date for repayment thereof, if the Borrower fails to fulfil any of its obligations set out in the Agreement and/ or in event of committing any breach of the terms thereof.
 8. All costs and expenses that the Lender incurs in connection with the negotiation and preparation, execution, amendment, extension, alteration, preservation and enforcement of the Loan shall be borne by the Borrower.
 9. No amendment of this Agreement shall be effective unless it is in writing and signed by, or on behalf of, each party to it or by its authorised representative. And if any provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted.
 10. The Lender has the right to assign any of his right under this Agreement or transfer all his rights or obligations by novation.
 11. Any notice or other communication given to a party under or in connection with this Agreement shall be made in writing to such party at its address set out below or at such other address or fax number as is notified in writing by one party to the other from time to time.

To the Lender

Aura Securities Private Limited

Kind Attention: Devanshu Desai

Address: 1st Floor, Akshay Building, 53, Shrimali Society, B/h Vadilal House, Navrangpura, Ahmedabad – 380 009, Gujarat, India

Email: Devanshu.Desai@arvind.in

To the Borrower

Arvind Fashions Limited

Kind Attention: Vijaykumar B S

Address: 8th Floor, Du Parc Trinity, 17, M G Road, Bengaluru – 560 001, Karnataka, India

Email: vijaykumar.bs@arvindbrands.com

12. In case of any dispute in relation to any terms and condition of this Agreement, the same shall be subject to the jurisdiction of the courts in Ahmedabad.

IN WITNESS WHEREOF ALL THE PARTIES HAVE SET THEIR HANDS AND SEAL TO THIS AGREEMENT ON THE DATE MENTIONED HEREIN AND IN PRESENCE OF THE WITHIN NAMED WITNESSES

Signed and Delivered

by the within named **Lender**
Aura Securities Private Limited
through its director, Jagdish Dalal




in the presence of



Name: Akshay Dodiya
Address: E-502, Rajshree Enclave, Shreyas
Tekra, Ambawadi, Ahmedabad - 380015

Signed and Delivered

by the within named **Borrower**
Arvind Fashions Limited
through its authorised signatory, R. V. Bhimani




in the presence of



Name: Yash Shah
Address: 401, Sundar Gopal Complex,
Panchavati 2nd Lane, Ambawadi, Ahmedabad -
380006