

STATUS OF CLAIMS OF EMCO LIMITED – FINANCIAL CREDITORS AS ON 26th NOVEMBER 2021

Sr. no	Financial Creditor	Details	Amount Claimed (INR)	Estimated Amount Admitted (INR)	Estimated Amount Rejected (INR)	Amount Secured (INR)	Amount Unsecured (INR)
1.	Union Bank of India	WCTL Cash Credit BG Invoked LC Devolved	5,53,12,17,499	5,33,64,14,262	19,48,03,237	5,33,64,14,262	
2.	Bank of Baroda (Dena Bank)	WCTL Cash Credit BG O/s	5,59,72,34,482	5,36,83,36,331	22,88,98,151	5,36,83,36,331	
3.	State Bank of India	Cash Credit	3,38,00,00,000	3,37,99,81,858	18,142	3,37,99,81,858	
4.	Bank of India	WCTL Cash Credit	1,37,70,53,287	1,34,86,16,575	2,84,36,713	1,34,86,16,575	
5.	Canara Bank	WCTL Cash Credit BG Invoked	90,48,75,396	90,37,63,924	11,11,472	90,37,63,924	
6.	PNB International	CG for EMCO Overseas Pte Ltd.	77,35,10,924	77,25,58,750	9,52,175		77,25,58,750
7.	Federal Bank	WCTL Cash Credit BG O/s	62,85,84,359	62,85,84,359	-	62,85,84,359	
8.	ARCIL	Cash Credit	55,29,80,362	55,29,80,362	-	55,29,80,362	
9.	Kotak Mahindra Bank Ltd.	Cash Credit	29,54,94,261	29,54,94,261	-	29,54,94,261	

Sr. no	Financial Creditor	Details	Amount Claimed (INR)	Estimated Amount Admitted (INR)	Estimated Amount Rejected (INR)	Amount Secured (INR)	Amount Unsecured (INR)
10.	Standard Chartered Bank	BG O/s	25,50,000	10,33,081	15,16,919	10,33,081	
11.	ICICI Bank Ltd.	Auto Loan (Car)	1,11,411	1,11,411	-	1,11,411	
Grand Total			19,04,36,11,982	18,58,78,75,174	45,57,36,808	17,81,53,16,424	77,25,58,750

SECURITY INTERST CHART OF EMCO LIMITED

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
1	Bank of Baroda (e-Dena Bank) <i>Lead Bank of:</i> <i>BoB (e-Dena Bank) WC Consortium.</i> <i>and</i> <i>BoB (e-Dena Bank) WCTL Consortium</i>	Working Capital: 475 CCH: 60 LC: 40 BG: 375	Working Capital Primary Security: 1st pari passu charge on current assets of the company (except solar plant) Collateral Security: 2 nd pari passu charge on all unencumbered fixed assets of the company (except Solar Plant)	Working Capital 2 nd pari passu charge on Immovable Properties excluding solar plant & windmills. 2 nd pari passu charge on Movable Properties excluding solar plant & windmills. 1 st pari passu charge on Current Assets excluding solar plant & windmills.	Secured	Yes	Yes <i>See appended Note [B] on Charge ID no. 10568812</i>
		Working Capital Term Loan: 55	Working Capital Term Loan Primary Security:	Working Capital Term Loan 1 st pari passu charge on Immovable Properties excluding			

¹ BDO to refer to the Note [A] on the Security Documents appended to this chart

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
			<p>2nd pari passu charge on current assets of the company (except solar plant)</p> <p>Collateral Security: 1st pari passu charge on all unencumbered fixed assets of the company (except Solar Plant)</p>	<p>solar plant & windmills.</p> <p>1st pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Current Assets excluding solar plant & windmills</p>			
2	<p>Union Bank of India (incl. e-Andhra Bank)</p>	<p>Working Capital: 335</p> <p>Fund Based: 275</p> <p>Non-Fund Based: 60</p>	<p>Union Bank of India</p> <p><i>Member of:</i></p> <p><i>BoB (e-Dena Bank) WC Consortium.</i></p> <p><i>and</i></p> <p><i>BoB (e-Dena Bank) WCTL Consortium</i></p>	<p>Working Capital</p> <p>Primary Security: 1st pari passu charge on current assets of the company (except solar plant).</p> <p>Collateral Security: 2nd pari passu charge on all the unencumbered</p>	<p>Working Capital</p> <p>2nd pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p>	Secured	<p>Yes</p> <p><i>See appended Note [B] on Charge ID no. 10568812</i></p>

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D		Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
		<p data-bbox="495 624 674 719">Working Capital Term Loan: 18.50</p>		<p data-bbox="887 300 1070 432">fixed assets of the company other than Solar Plant</p> <p data-bbox="887 624 1070 719">Working Capital Term Loan</p> <p data-bbox="887 759 1070 1198">Primary Security: 2nd pari passu charge on the current assets of the company with Exim Bank for its WCTL except solar power plant & windmill assets.</p> <p data-bbox="887 1238 1070 1361">Collateral Security: 1st pari passu charge on all</p>	<p data-bbox="1093 624 1350 687">Working Capital Term Loan</p> <p data-bbox="1093 727 1350 887">1st pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p data-bbox="1093 927 1350 1086">1st pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p data-bbox="1093 1126 1350 1262">2nd pari passu charge on Current Assets excluding solar plant & windmills</p>			

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D		Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
				<p>the unencumbered fixed assets of the company with Exim bank for their WCTL other than Solar Plant & Windmill</p> <p>1st pari passu charge on land situated at Survey no. 207 & 208, village Umerkul, District Silvassa in Union Territory of Dadar & Nagar Haveli</p>				
		<p>Working Capital: 170</p> <p>WCDL: 10 LC: 20 BG: 85</p>	<p>Andhra Bank</p> <p><i>Member of:</i></p> <p><i>BoB (e-Dena Bank)</i></p>	<p>Working Capital</p> <p>WC (Fund Based):</p> <p>1st pari passu charge on</p>	<p>Working Capital</p> <p>2nd pari passu charge on Immovable Properties excluding solar plant & windmills.</p>	<p>Secured</p>		

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D		Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
			<p>WC Consortium, only</p>	<p>current assets by way of hypothecation of entire RM, SIP, FG, consumable stores, spares, packing materials, receivables, and entire book debts.</p> <p>WC (Non-Fund Based): LC: Stock produced under LC BG: Counter Guarantee by the company and extension of charge on current assets of the company</p> <p>Working Capital Term Loan:</p>	<p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p> <p><i>LL Note: We have not come across any Security Document creating this security for Andhra Bank w.r.t their WCTL facility.]</i></p>			

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D		Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
				Pari passu charge on all the unencumbered fixed assets of the company with EXIM bank for their WCTL other than solar plant and windmill.				
3	Federal Bank <i>Member of: BoB (e-Dena Bank) WC Consortium only</i>	Working Capital: 60 Cash Credit: 10 LC: 15 BG: 35	Working Capital Primary Security: <ul style="list-style-type: none"> 1st pari passu charge on inventory and debtors, Raw Materials, work in progress (WIP), Finished Goods and Book Debts. Charge on goods procured under LC and extension of charge on company's current assets. Collateral Security: Pari passu charge on the following assets:		Working Capital 2 nd pari passu charge on Immovable Properties excluding solar plant & windmills. 2 nd pari passu charge on Movable Properties excluding solar plant & windmills. 1 st pari passu charge on Current Assets excluding solar plant & windmills.	Secured	Yes	Yes <i>See appended Note [B] on Charge ID no. 10568812</i>

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
			<ul style="list-style-type: none"> •All unencumbered fixed assets of the company on lease hold land situated at Plot No. F-5, Road No. 28, Wagle Industrial Estate, Thane and Plot No. N-104, MIDC Area Jalgaon, Maharashtra, together with all buildings and structures thereon. •All unencumbered fixed assets of the company situated at MIDC Umala Jalgaon, Vadodara & Silvasa. •2nd pari passu charge on property at Sy. No. 207 & 208 situated at village Uimerkul, Dist. Silvasa in UT of Dadra & Nagar Haveli •All plant and machineries attached to the earth excluding assets with exclusive charge on Windmill Assets (excluding wind Windmill/Vehicles/assets 				

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
			<p>charged in favor of vehicle financiers, HDFC bank/Royal of Scotland and assets created out of debenture from LC)</p> <ul style="list-style-type: none"> All current assets of the company, other than solar power plant and windmill 				
		<p>Working Capital Term Loan: 3.5</p>	<p>1st pari passu charge on all unencumbered fixed assets of the Company and those charged to Exim Bank for WCTL valued at Rs 300 crores</p> <p>Collateral Security: First Pari passu charge on the following assets:</p> <ul style="list-style-type: none"> All unencumbered fixed assets of the company on lease hold land situated at Plot No. F-5, Road No. 28, Wagle Industrial Estate, Thane and Plot No. N-104, MIDC Area Jalgaon, Maharashtra, together with all buildings and structures thereon. All unencumbered fixed 	<p>Working Capital Term Loan</p> <p>1st pari passu charge on all unencumbered fixed assets of the Company excluding solar plant & windmills.</p> <p>2nd pari passu charge on Current Assets excluding solar plant & windmills</p> <p><i>LL Note: The WCTL facility has been sanctioned by Federal Bank on a bilateral basis with Emco Ltd, outside the WCTL Consortium. The</i></p>			

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			<p>assets of the company situated at MIDC Umala Jalgaon, Vadodara & Silvasa.</p> <ul style="list-style-type: none"> •2nd pari passu charge on property at Sy. No. 207 & 208 situated at village Uimerkul, Dist. Silvasa in UT of Dadra & Nagar Haveli •All plant and machineries attached to the earth excluding assets with exclusive charge on Windmill Assets (excluding wind Windmill/Vehicles/assets charged in favor of vehicle financers, HDFC bank/Royal of Scotland and assets created out of debenture from LC) •All current assets of the company, other than solar power plant and windmill 	<i>WCTL facility and security for the WCTL facility has been created by a Loan Agreement dt. 05.09.2015.</i>			
4	Canara Bank <i>Member of:</i>	Working Capital: 75	Working Capital Primary Security:	Working Capital 2 nd pari passu charge on Immovable	Secured	Yes	Yes <i>See appended Note [B] on</i>

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
	<p><i>BoB (e-Dena Bank) WC Consortium.</i></p> <p><i>and</i></p> <p><i>BoB (e-Dena Bank) WCTL Consortium</i></p>	<p>Fund Based: 35</p> <p>Non-Fund Based: 40</p>	<p>1st pari passu charge on the stocks, debtors and advances paid to sub-contractors</p> <p>Collateral Security: 2nd pari passu charge on fixed assets of the Company other than Solar Plant and Windmill on which Axis Bank and Dena Bank (now, Bank of Baroda) are having exclusive charge.</p>	<p>Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p>			<p><i>Charge ID no. 10568812</i></p>
		<p>Working Capital Term Loan: 5</p>	<p>Working Capital Term Loan Facility:</p> <p>Primary Security: 1st pari passu charge on all the unencumbered Fixed Assets of the company (except Solar Plant & Windmill) situated at the MIDC Thane, MIDC Jalgaon, Umala Jalgaon, Vadodra & Silvassa for WCTL of Rs. 100 Crores from consortium and Rs. 15 Crores from EXIM Bank.</p> <p>1st pari passu charge on property at survey no 207 and</p>	<p>Working Capital Term Loan</p> <p>1st pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Current Assets</p>			

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			208 situated at village Umerkul, Dist. Silvassa in Union Territory of Dadra & Nagar Haveli Collateral Security: 2 nd pari passu charge on the current assets of the Company other than current assets of Solar Plant & Windmill	excluding solar plant & windmills			
5	State Bank of India <i>Member of: BoB (e-Dena Bank) WC Consortium, only</i>	Working Capital: 460 (SBI: 300 + SBH: 160) SBI: 300 Fund Based: 60 Non-Fund Based: 240 SBH: 160 Fund Based: 50 Non-Fund Based: 110	Working Capital Primary Security: 2 nd pari passu charge on current assets of the company, stocks and book debts including debtors more than six months Collateral Security: 2 nd pari passu charge on the following: Leasehold land along with allied structures and plant and machinery situated at plot no. F-5, Road no. 28, Off main road, MIDC Thane, Wagle Industrial Estate, Thane – 400604.	Working Capital 2 nd pari passu charge on Immovable Properties excluding solar plant & windmills. 2 nd pari passu charge on Movable Properties excluding solar plant & windmills. 1 st pari passu charge on Current Assets excluding solar plant & windmills.	Secured	Yes <i>(See appended LL Note [C] on SBI's conditional relinquishment of its exclusive security over 21 flats)</i>	Yes <i>See appended Note [B] on Charge ID no. 105688122</i> <i>See appended Note [B] on Charge ID no 10515843 for charge on 21 flats</i>

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
			<p>Industrial land along with allied structures and plant and machinery situated at plot no. N-104, MIDC Internal Road, Besides Bharat Petroleum, Additional Jalgaon Industrial Ares, MIDC, Village Meharun, Jalgaon – 425003</p> <p>Agricultural land bearing Gut no. 113, 114 & 115 along with industrial structures and plant and machinery situated at Jalgaon – Aurangabad Road, Near Umale Phata, Village Umale, Jalgaon – 425003.</p> <p>Industrial Premises along with plant and machinery situated at revenue survey no. 519 & 521, near Kemrock Industries and Exports Ltd and Decent Hotel, Vadodara-Halol highway, Village Asoj, Taluka Waghodiya, Vadodara.</p> <p>NA land situated at land bearing survey no. 207 & 208, village Umarkul, behind Poonam Corporation, UT of</p>				

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			<p>Dadra and Nagar Haveli – 396230.</p> <p>Collateral Security:</p> <p>Exclusive charge on the following: 13 flats having total carpet area of 7,955 sq. ft; namely, A1-404, A4-504, B4-404, B7-203, B7-601, B7-701, B8-304, T1-301, T1-303, T1-404, T1-603, T2-604, T2-804, survey no. 38, 39, Hissa no. 2, 40, Saket CHS Ltd, Majiwada Mandal, Thane, Maharashtra – 400604.</p> <p>6 flats having total area of 2,574 sq. ft; namely, flat no. C2-702, C2-705, C2-706, C3-706, C1-704, C3-701, survey / house no. 15, 73A, 73B, 74, 75, 76B, Tripura Lokdhara CHS Ltd, Kalyan, Maharashtra – 400604.</p> <p>2 flats having total built-up area of 1,076 sq. ft and carpet area of 858 sq. ft.; namely, flat no. C4-701, C4-703,</p>	<p>Collateral Security</p> <p>Exclusive charge on the 21 flats as more elaborately described in Schedule I of the Deed of Mortgage dated 31.07.2014.</p>			

Sr	Name of the Financial Creditor	Facilities (Rupees in Crores)	Security Interest claimed by the financial creditor per Form D	Security Interest as per the Security Documents ¹	Secured / Unsecured	Relinquishment of Charge	Registration of Security Interest
			survey / house no. 73A, 73B, 74, 75, 76B, Nandi Lok Dhara, Kalyan, Maharashtra – 400604.				

6.	<p>Standard Chartered Bank</p> <p><i>Member of:</i></p> <p><i>BoB (e-Dena Bank) WC Consortium, only</i></p>	<p>Working Capital: 38.21</p> <p><i>(Outstanding Funded exposure of SCB has been assigned to ARCIL)</i></p>	<p>Working Capital:</p> <p>1st pari passu charge on the stock and book debts</p> <p>2nd pari passu charge on company's moveable and immoveable fixed assets</p>	<p>Working Capital:</p> <p>2nd pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p>	Secured	Yes	<p>Yes</p> <p><i>See appended Note [B] on Charge ID no. 10568812</i></p>
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7.	<p>ARCIL</p> <p><i>Member of: BoB (e-Dena Bank) WC Consortium, only by virtue of assignment of SCB's funded exposure</i></p>	<p>Working Capital:</p> <p><i>(SCB's outstanding in the Funded exposure has been assigned to ARCIL)</i></p>	<p>Working Capital:</p> <p>1st pari-passu charge on the current assets and book debts of the Company.</p> <p>1st pari-passu charge on the movable and immovable assets of the Company situated at MIDC Thane, MIDC Jalgaon, Dadra-Umala-Jalgaon & Asoi-Vadodara</p> <p>1st pari-passu charge on the movable and immovable assets of the Company situated at –</p> <ul style="list-style-type: none"> • Survey No. 519, 520, 521 admeasuring 26,305 sq.mts or thereabouts situated in Village Asoj, Taluka Waghodia. District Vadodara, Sub District Waghodia in State of Gujarat. • Plot No. F-5, Road No.28, Wagle Industrial Development Corporation within the village limit of Puchpkadi. Taluka and 	<p>2nd pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p>	Secured	Yes	<p>No</p> <p><i>See appended Note [B] on Charge ID no. 10568812</i></p>

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			<p>registration district Thane in Maharashtra</p> <ul style="list-style-type: none"> • Plot No. 104, Additional Industrial Areas of Jalgaon of Maharashtra Industrial Development Corporation within the village limit of Mehrun, within the Jalgaon Municipal Corporation. Taluka and registration sub district Jalgaon Maharashtra • Gut no. 113, 1114 and 115 at Umala Shivar within the limit of Umala Gram Panchayat Taluka and registration sub district Jalgaon in Maharashtra • Survey no.207 (Plot No. 6) and 208 situated in Village Umerkul, District Silvassa in the Union Territory of Dadra and Nagar Haveli. 				
8.	Kotak Mahindra Bank (e-ING Vysya Bank)	Working Capital: Cash Credit: 14.25	Working Capital 1 st pari passu charge over stock and book debts of the company along with other	Working Capital 2 nd pari passu charge on Immovable Properties excluding	Secured	Yes	Yes <i>See appended Note [B] on</i>

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	<p><i>Member of:</i></p> <p><i>BoB (e-Dena Bank) WC Consortium, only.</i></p>		<p>consortium members (excluding receivables from sale of power generated from 7 windmills and solar farm).</p> <p>2nd pari passu charge on the fixed assets of the factories located at Wagle Industrial Area, Thane and Jalgaon.</p>	<p>solar plant & windmills.</p> <p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p>			<p><i>Charge ID no. 10568812</i></p>
9.	<p>Bank of India</p> <p><i>Member of:</i></p> <p><i>BoB (e-Dena Bank) WC Consortium.</i></p> <p><i>and</i></p> <p><i>BoB (e-Dena Bank) WCTL Consortium</i></p>	<p>Working Capital: 125</p> <p>Fund Based: 40</p> <p>Non-Fund Based: 85</p>	<p>Working Capital</p> <p>Primary Security:</p> <p>1st pari passu charge on the current assets of the company other than solar plant & windmill.</p> <p>Collateral Security:</p> <p>2nd pari passu charge on the fixed assets of the company along with other corporate loan lenders and Exim Bank for their WCTL other than solar plant & windmill.</p>	<p>Working Capital</p> <p>2nd pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Current Assets excluding solar plant & windmills.</p>	Secured	Yes	<p>Yes</p> <p><i>See appended Note [B] on Charge ID no. 10568812</i></p>

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		<p>Working Capital Term Loan: 21.50</p>	<p>Working Capital Term Loan:</p> <p>Primary Security: 2nd pari passu charge on the current assets of the company excluding the movable/current assets pertaining to solar plant & windmill</p> <p>Collateral Security: 1st pari passu charge on all the unencumbered fixed assets of the company situated at the MIDC Thane, MIDC Jalgaon, Umala Jalgaon, Vadodara & Silvassa for WCTL of Rs. 100 Crores from consortium and Rs. 15 Crores with EXIM Bank for their WCTL other than solar plant & windmill.</p> <p>1st pari passu charge on property at survey no 207 and 208 situated at village Umerkul, District Silvassa in Union Territory of Dadra & Nagar Haveli.</p>	<p>Working Capital Term Loan</p> <p>1st pari passu charge on Immovable Properties excluding solar plant & windmills.</p> <p>1st pari passu charge on Movable Properties excluding solar plant & windmills.</p> <p>2nd pari passu charge on Current Assets excluding solar plant & windmills</p>			

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10.	ICICI Bank Limited	<p>For MH19CM1919 (Skoda Superb) - 23.38 lakhs</p> <p>For MH19CF3350 (Toyota Innova) – 14.69 lakhs</p>	As per annexure to Claim Form-D, two motor vehicles (bearing Registration No. MH19CF3350 and MH19CM1919) have been hypothecated in favour of ICICI Bank Ltd.	<p>MH19CM1919 (Skoda Superb)</p> <p>MH19CF3350 (Toyota Innova)</p> <p><i>LL Note: We have only sighted the Loan Application Form and Unattested Hypothecation Deed for MH19CM1919 (Skoda Superb). We have not seen the relevant documents for MH19CF3350 (Toyota Innova). Bank to provide the same. However, the Index of Charges as reflected in the MCA website indicates a charge over both the vehicles of the Corporate Debtor.</i></p>	Secured	No	<p>Yes</p> <p><i>See appended Note [B] on Charge ID no. 100050464 and Charge ID no. 100049156</i></p>
11.	Punjab National Bank (International) Limited	CG for an amount not exceeding USD 13 million	Corporate Guarantee dated August 12, 2012 issued by EMCO Limited in favour of PNBIL.		Unsecured	NA	NA

BRIEF PARTICULARS ON SECURITY DOCUMENTS AND DOCUMENTS PERTAINING TO REGISTRATION OF CHARGE

[A] SECURITY DOCUMENTS

1. Supplementary Deed of Mortgage dated 25.08.2016 by Emco Ltd in favor of IDBI Trusteeship Services Ltd.

- Covenant to Pay: Rs 10 crores working capital facility of Exim Bank²
- Charge:

Immovable Properties <i>See Schedule I(A)</i>	<i>1st pari passu</i> - For Exim Bank's WC Facility
	-
Movable Properties excluding solar plant & windmills <i>See Schedule II</i>	<i>1st pari passu</i> - For Exim Bank's WC Facility
	-
Current Assets excluding solar plant & windmills <i>See Schedule III</i>	-
	<i>2nd pari passu</i> - For Exim Bank's WC Facility

² Out of the Rs 25 crores WCTL facility sanctioned by Exim Bank, Emco had repaid Rs 10 crores to Exim Bank; Thereafter, Exim Bank had sanctioned a Rs 10 crores WC facility to Emco Ltd. and accordingly executed this Supplemental Deed to secure the WC facility as well.

LL Note: We understand that the credit facilities sanctioned by Exim Bank have been repaid by Emco Ltd

2. Indenture of Mortgage dated 14.05.2015 by Emco Ltd in favor of IDBI Trusteeship Services Ltd

- Covenant to Pay: Rs 1,935 crores (WC facility of 1,810 crores + WCTL facility of 125 crores) plus applicable interest
- Charge:

Immovable Properties <i>See Schedule I(B)</i>	1st pari passu - For WCTL Lenders, i.e., BoB (e-Dena Bank) WCTL Consortium (<i>comprising of BoB (e-Dena Bank), UBI, Canara Bank & BOI</i>) & Exim Bank
	2nd pari passu - For WC Lenders, i.e., BoB (e-Dena Bank) WC Consortium (<i>comprising of BoB (e-Dena Bank), Federal Bank, SBH, BOI, UBI, Kotak Bank (e-ING Vysya Bank), Andhra Bank, SBI, Canara Bank & SCB</i>)

3. Indenture of Mortgage dated 05.05.2015 by Emco Ltd in favor of IDBI Trusteeship Services Ltd

- Covenant to Pay: Rs 1,935 crores (WC facility of 1,810 crores + WCTL facility of 125 crores) plus applicable interest
- Charge:

Immovable Properties excluding solar plant & windmills <i>See Schedule I(A)</i>	1st pari passu - For WCTL Lenders, i.e., BoB (e-Dena Bank) WCTL Consortium (<i>comprising of BoB (e-Dena Bank), UBI, Canara Bank & BOI</i>) & Exim Bank
	2nd pari passu - For WC Lenders, i.e., BoB (e-Dena Bank) WC Consortium (<i>comprising of BoB (e-Dena Bank), Federal Bank, SBH, BOI, UBI, Kotak Bank (e-ING Vysya Bank), Andhra Bank, SBI, Canara Bank & SCB</i>)
Movable Properties excluding solar plant & windmills <i>See Schedule II</i>	1st pari passu - For WCTL Lenders, i.e., BoB (e-Dena Bank) WCTL Consortium (<i>comprising of BoB (e-Dena Bank), UBI, Canara Bank & BOI</i>) & Exim Bank
	2nd pari passu

	- For WC Lenders, i.e., BoB (e-Dena Bank) WC Consortium (<i>comprising of BoB (e-Dena Bank), Federal Bank, SBH, BOI, UBI, Kotak Bank (e-ING Vysya Bank), Andhra Bank, SBI, Canara Bank & SCB</i>)
Current Assets excluding solar plant & windmills <i>See Schedule III</i>	1st pari passu - For WC Lenders, i.e., BoB (e-Dena Bank) WC Consortium (<i>comprising of BoB (e-Dena Bank), Federal Bank, SBH, BOI, UBI, Kotak Bank (e-ING Vysya Bank), Andhra Bank, SBI, Canara Bank & SCB</i>)
	2nd pari passu - For WCTL Lenders, i.e., BoB (e-Dena Bank) WCTL Consortium (<i>comprising of BoB (e-Dena Bank), UBI, Canara Bank & BOI</i>) & Exim Bank

4. Indenture of Mortgage dated 04.09.2014 by Emco Ltd in favor of BoB (e-Dena Bank), BOI & UBI.

- Covenant to Pay: WCTL facility of Rs 100 crore plus applicable interest.
- Charge:

Immovable Properties excluding solar plant & windmills <i>See Schedule I(A) & I(B)</i>	1st pari passu - For WCTL Lenders, i.e., Dena Bank, Bank of India and Union Bank of India
	-
Movable Properties excluding solar plant & windmills <i>See Schedule II</i>	1st pari passu - For WCTL Lenders, i.e., Dena Bank, Bank of India and Union Bank of India
	-
Current Assets excluding solar plant & windmills <i>See Schedule III</i>	-
	2nd pari passu - For WCTL Lenders, i.e., Dena Bank, Bank of India and Union Bank of India

5. Indenture of Mortgage dated 12.06.2014 between Emco Ltd and BoB (e- Dena) Bank

- Covenant to Pay: BG facility of Rs 60 crore plus applicable interest.
- Charge:

Immovable Properties excluding solar plant & windmills <i>See Schedule I(A) & I(B)</i>	<i>LL Note: It may be noted that the IOM dated 12.06.2014 does not define Credit Facilities. The definition of Mortgage Debt does not specify the facilities for which this IOM is entered into. However, it is noted that the recitals state that this IOM is executed for securing the BG facility of Rs 60 crores.</i>
Movable Properties excluding solar plant & windmills <i>See Schedule II</i>	
Current Assets excluding solar plant & windmills <i>See Schedule III</i>	
General Assets	

6. Deed of Mortgage dated 31.07.2014 between Emco Ltd and State Bank of India

- Covenant to Pay: Rs 270 crore plus applicable interest.
- Charge: Exclusive Charge over the 21 flats as more elaborately described in the Deed of Mortgage.

[B] REGISTRATION & MODIFICATION OF CHARGE

1. Charge ID no. 10568812 (in favour of IDBI for WCTL facility and WC facility)

- a. Form CHG-1 creating charge ID no. 10568812, pursuant to IOM dated 05.05.2015.
- b. Certificate of registration of charge ID no. 10568812, pursuant to IOM dated 05.05.2015.
- c. Form CHG-1 modifying charge ID no. 10568812, pursuant to IOM dated 14.05.2015
- d. Certificate of Modification of charge ID no. 10568812, pursuant to IOM dated 14.05.2015.
- e. Form CHG-1 modifying charge ID no. 10568812, pursuant to Loan Agreement dated 05.09.2015 entered between Emco Ltd and Federal Bank.
- f. Form CHG-1 modifying charge ID no. 10568812, pursuant to No Objection Letter dated 17.10.2017 issued by Exim Bank.

(Charge Holders as per above documents: Bank of Baroda (e-Dena Bank), Federal Bank, SBH, BOI, UBI, Kotak Bank (e-ING Vysya Bank), Andhra Bank, SBI, Canara Bank, SCB & Exim Bank)

[LL Note: ARCIL has not provided Form CHG-1 or Certificate of Modification of Charge pursuant to assignment of the funded exposure of SCB vide Assignment Agreement dated 13.12.2019.]

2. Charge ID no. 10515843 (in favour of SBI creating charge on 21 flats)

- a. ROC Search Report dated 10.05.2018 prepared by CA. Mukesh Lalwani & Co. indicating creation of charge by Form CHG-1 creating charge ID no. 10515843 in favour of State Bank, pursuant to Deed of Mortgage dated 31.07.2014.

[LL Note: We note that Charge ID no. 10515843 is still active as per the website of the MCA]

3. Charge ID no. 100050464 and Charge ID no. 100049156 (in favour of ICICI Bank)

- a. Index of Charges are extracted from the website of the Ministry of Corporate Affairs indicates a valid and subsisting Charge ID no. 100050464 (for an amount of Rs 23.38 lakhs) and Charge ID no. 100049156 (for an amount of Rs 14.69 lakhs) created on August 30, 2016 and August 19, 2016, respectively.

[C] SBI'S CONDITIONAL RELINQUISHMENT OF EXCLUSIVE CHARGE OVER 21 FLATS

- i) State Bank of India ("SBI") has at point 8A of its Form D claim form stated that its exclusive charge over the 21 flats listed therein, shall be relinquished into the liquidation estate of the Corporate Debtor only under the condition that the proceeds arising from

the disposal of the said 21 flats shall accrue exclusively to SBI. In this context we have been asked to opine if the Liquidator of Emco Limited can give a confirmation of the same to SBI.

- ii) If SBI, in terms of section 52(1)(a) of the Insolvency and Bankruptcy Code, 2016 (“IBC”), relinquishes its security interest into the liquidation estate of the Corporate Debtor, then it shall as per section 53(1)(b)(ii) of the IBC stand in the 2nd order of priority, pari passu with workmen’s dues for the past 24 months, in the waterfall mechanism.
- iii) Inter-Creditor / subordination agreements or agreements giving exclusive charge to creditors is a time-honoured practice and custom followed in the banking industry, which has also been recognised in liquidation and winding-up proceedings by various courts of law.
- iv) The Hon’ble Supreme Court of India in its landmark judgement in *ICICI Bank Ltd. v. SIDCO Leathers Ltd & Ors. (2006) 10 SCC 452* upheld the validity of inter-creditor / sub-ordination agreements in the context of the liquidation process, even though similar to the IBC there was no express provision to that effect under the erstwhile Companies Act 1956. The Hon’ble Apex Court upheld the same based on the following –
 - a. Right to property was a constitutional right and right to recover money lent by enforcing a mortgage was also a right to enforce an interest in the property. Had the Parliament intended to take away such a valuable right of the first-charge holder, there was no reason for it to not state so explicitly.
 - b. Section 48 of the Transfer of Property Act, 1882 (“TOPA”) clearly provides that claim of a first charge holder shall prevail over the claim of a second charge holder.
 - c. Merely because the relevant section (sec 529 and 529A of the Companies Act 1956) did not specifically provide for the rights of priorities over mortgaged assets, it would not mean that the provisions of section 48 of TOPA shall stand obliterated in relation to a company that has undergone liquidation.
 - d. Deprivation of a legal right existing in favour of a person cannot be presumed in construing a statute and it is in fact the other way round and thus, a contrary presumption shall have to be raised

- e. Companies Act may be a special statute but if the special statute does not contain any provisions dealing with contractual and other statutory rights between different secured creditors, the specific provisions contained in the general statute shall prevail.

- v) It may be noted that even in the context of the IBC, the Insolvency Law Committee in its Report dated March 26, 2018, has recognised inter-creditor / subordination agreements and stated –
“21.6. To conclude, the Committee was of the opinion that it is sufficiently clear from a plain reading of section 53(1)(b) that it intended to rank workmen's dues equally with debts owed to secured creditors who have relinquished their security. Section 53(1)(b) does not talk about priority inter-se secured creditors. Thus, valid inter-creditor/subordination agreements would continue to govern their relationship. Further sub-section (2) of section 53 must also be interpreted accordingly. For instance, applying section 53(2) in the context of section 53(1)(b), any agreements between workmen and secured creditors which disrupts their pari passu rights will be disregarded by the liquidator. However, agreements inter-se secured creditors do not disturb the equal ranking sought to be provided by section 53(1)(b) and therefore do not fall within the ambit of section 53(2).”

- vi) It may be noted that the Hon’ble Supreme Court in *Kotak Mahindra Bank Ltd v. Technology Development Board & Ors. (CA No. 2206/2021)* in its Order dated June 29, 2021 has stayed the Order of the NCLAT in *Technology Development Board v. Anil Goel Liquidator of Gujarat Oleo Chem Limited and Ors. (CA (AT) Insolvency No. 731 of 2020.)* which had disregarded inter-creditor / subordination agreements between secured creditors, when such creditors had relinquished their security into the liquidation estate. The matter is currently sub-judice before the Hon’ble Apex Court.

- vii) Therefore, as the law stands today, SBI shall continue to have exclusive charge over the 21 flats after relinquishing the same into the liquidation estate of Emco Ltd. Consequently, the proceeds from the disposal of the said 21 flats shall accrue only to SBI, after deducting the relevant CIRP / liquidation costs and the proportionate workmen’s dues in terms of section 53(1)(a) & section 53(1)(b)(ii) of the IBC.

[D] VALIDITY OF SET-OFFS CLAIMED BY BANK OF BARODA AND STANDARD CHARTERED BANK ON AMOUNTS LYING IN CERTAIN FIXED DEPOSITS

1. Standard Chartered Bank (“SCB”) and Bank of Baroda (“BoB”) have both claimed a set-off on certain amounts lying in the fixed deposits maintained as cash margin by the said banks.
2. We have been asked to examine the validity of such setoffs and whether the Liquidator may permit both SCB and BoB to set off the amounts lying in their respective bank accounts towards their outstanding claims.
3. Amounts lying in fixed deposits with a bank is nothing but a receivable by the account holder, as a debt due and payable from the bank to the account holder (as observed by the Gujarat High Court in *Bank of Maharashtra v. Official Liquidator of Navjivan Trading Finance Pvt Ltd* (1999 96 Comp Cas 234 Guj). In the context of the Insolvency and Bankruptcy Code 2016 (“Code”), a situation wherein a creditor of the company also stands as a debtor of the company is covered by statutory provisions contained in Regulation 29 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016 (“Liquidation Regulations”) which states as follows –

“29. Mutual credits and set-off.

Where there are mutual dealings between the corporate debtor and another party, the sums due from one party shall be set off against the sums due from the other to arrive at the net amount payable to the corporate debtor or to the other party.

Illustration: X owes Rs. 100 to the corporate debtor. The corporate debtor owes Rs. 70 to X. After set off, Rs. 30 is payable by X to the corporate debtor.”

4. Regulation 29 of the Liquidation Regulations therefore makes it incumbent that both the claims are adjusted against each other, and the inter-se liability to pay or receive is reduce to the balance difference.
5. The Hon’ble Gujarat High Court in *Bank of Maharashtra v. Official Liquidator of Navjivan Trading Finance Pvt Ltd* (1999 96 Comp Cas 234 Guj) while dealing with the provisions of section 46 of the Provincial Insolvency Act 1920 (which provided for mutual dealings and set off) held as under –

“36. Section 46 obviously casts an obligation on the creditor as well as on the insolvent to set off one claim against another claim existing between them on the date of adjudication. The statutory provision has emanated from the equitable doctrine of right to set

*off not only with the object to avoid cross actions but to do substantial justice. It envisages that an account shall be taken of what is due from the one party to the other in respect of such mutual dealings and the sum due from the one party shall be set off against any sum due from the other party and the balance of the account, and no more shall be claimed or paid on either side respectively. The provision has been expressed in most emphatic mandate, without leaving it to the discretion of anyone. To borrow the words of Lord Denning in *Rolls Razor Ltd. v. Cox* (1967) 1 QB 552 (CA) the parties cannot contract out of the statute. Where there are mutual dealings, the statute says that "the balance of the account, and no more shall be claimed or paid on either side." That is an absolute statutory rule "which must be observed."*

6. The Hon'ble Supreme Court in ***Official Liquidator v. Smt. V. Lakshnikutty*** (AIR 1981 SC 1483) held that –

"It is true that section 530 provides for preferential payments, but that provision cannot in any way detract from full effect being given to section 529 and in fact the only way in which these two sections can be reconciled is by reading them together so as to provide that whenever any creditor seeks to prove his debt against the company in liquidation, the rule enacted in section 46 of the Provincial Insolvency Act, should apply and only that amount which is ultimately found due from him at the foot of the account in respect of mutual dealings should be recoverable from him and not that the amount due from him should be recovered fully while the amount due to him from the company in liquidation should rank in payment after the preferential claims provided under section 530."

7. To sum up, in terms of Regulation 29 of the Liquidation Process Regulations, for the purpose of calculation of the claim of SCB and BoB in the liquidation process of the Corporate Debtor, only those amounts shall form a part of the respective claims of the banks, after setting off the amounts lying in the aforementioned fixed deposits of the banks, that were originally due and payable by the said banks to the Corporate Debtor. Consequently, SCB and BoB shall have the right to claim a full set-off of the amounts lying in the respective fixed deposits.

SCHEDULE - I (A)
(Description of Immoveable Properties)

1. All that pieces and parcels of lease hold land comprised in **Plot No. F -5, Road No. 28, Wagle Industrial Estate, Thane** admeasuring 25,016 sq. mts. or thereabouts situated in Maharashtra Industrial Development Corporation within the Village limit of Puchpkadi, Taluka and Registration Dist. Thane District, Thane in the State of Maharashtra and bounded as follows:
On or towards the North by: Estate Road
On or towards the South by: Plot No D-11
On or towards the East by: MIDC Land
On or towards the West by: Estate Road
together with all buildings and structures constructed/erected thereon and all equipment, fittings, furniture and/or to be constructed / erected thereon attached to the earth or permanently fastened to anything attached to the earth or kept or lying thereon.

2. All that pieces and parcels of lease hold land comprised in **Plot no. 104 admeasuring 11,950 sq. mts. or thereabouts situate in Additional Industrial Aras of Jalgaon** of Maharashtra Industrial Development Corporation within the Village limit of Mehrun, within the Jalgaon Municipal Corporation, Taluka and Registration Sub-District Jalgaon and registration District Jalgaon in the State of Maharashtra and bounded as follows:
On or towards the North by: 25 meter R/W Road
On or towards the South by: 30 meter R/W and Plot No. N-1 03
On or towards the East by: Plot No. N-105 and
On or towards the West by: 3 Meter R/W Road
together with all buildings and structures constructed/erected thereon and all the equipment, fittings, furniture and/or to be constructed/erected thereon attached to the earth or permanently fastened to anything attached to the earth or kept or lying thereon.

3.
 - a) All that pieces and parcels of Land admeasuring 0 H 70 R of **Gut No 113** admeasuring 01 H 02 R potkharb 000H 04 R total 01 H 06 R assessment 04 paise 00 situate at **Umala shivar within the limit of Umala Gram Panchayat Taluka and Registration Sub district Jalgaon** and registration District Jalgaon in the State of Maharashtra and bounded as follows:
On or towards the North by: Kandari Road
On or towards the South by: Gut No. 115
On or towards the East by: Gut no. 112 and
On or towards the West by: Gut No. 114

together with all buildings and structures thereon and all the equipment, fittings, furniture and/or to be constructed/erected thereon attached to the earth or kept or lying thereon.

- b) All that pieces and parcels of Land of **Gut No 114** admeasuring 2 H 16 R + potkharb 0H 89 R total 03 H 05 R assessment 03 paise 00 situate at **Umala shivar within the limit of Umala Gram Panchayat Taluka and Registration Sub district Jalgaon and registration District Jalgaon** in the State of bounded as follows:
On or towards the North by: Road
On or towards the South by: Gut No. 115
On or towards the East by: Gut no. 113 and
On or towards the West by: Gut No. 237
together with all buildings and structures constructed/erected thereon and all the equipment, fittings, furniture and/or to be constructed/erected thereon attached to the earth or permanently fastened to anything attached to the earth or kept or lying thereon.
- c) All that pieces and parcels of land of north side portion admeasuring 04H 47 R of **Gut No. 115** admeasuring 07 H 38R + potkharb 00H 70 R total 07 H 70 R assessment Rs 4l paise 19 situate at **Umala shivar within the limit of Umala Gram Panchayat Taluka and Registration Sub district Jalgaon** and registration District Jalgaon in the State of Maharashtra and bounded as follows:
On or towards the North by: Gut No. 113 and 114;
On or towards the South by: Remaining part of Gut No. 113 then
Gut No. 119
On or towards the East by: Gut no. 112 and 116 and
On or towards the West by: Gut No. 233
together with all buildings and structures constructed/erected thereon and all the equipment, fittings, furniture and/or to be constructed/erected thereon attached to the earth or permanently to anything attached to the earth or kept or lying thereon.
4. All that pieces and parcels of Freehold Land comprised in **Survey No.207P (Plot No.6)** and 208 admeasuring 6700 sq. m. or thereabouts situate in village **Umerkui, District Silvassa in the Union Territory of Dadra and Nagar Haveli** and bounded as follows:
On or towards the North by Survey No.207P (Plot No.5) occupied by Gold Oil Corporation
On or towards the South by Survey No.187 agricultural lands
On or towards the East by Internal approach road and survey no.208 owned by EMCO Ltd
On or towards the West by Survey No.187 agricultural lands
together with all buildings and structures constructed/erected thereon and all the equipment, fittings, furniture and/or to be constructed/erected thereon attached to the earth or permanently fastened to anything attached to the earth or kept or lying thereon.

SCHEDULE - I (B)

(Description of Immoveable Properties)

All that pieces and parcels of Freehold Land comprised in Survey No. 519, 520, 521 admeasuring 26,305 sq. mts. or thereabouts situate in Village Asoj, Taluka Waghodia, District Vadodara Registration Sub District Waghodia in the State of Gujarat and bounded as follows:

On or towards the North by Vadodara to Halol expressway

On or towards the South by agriculture lands

On or towards the East by Asoj Soft Calls Pvt Ltd. at R.S. 517 & 518 together with all buildings and structures constructed/erected thereon and all the equipment, fittings, furniture and/or to be constructed/erected thereon attached to the earth or permanently fastened to anything attached to the earth or kept or lying thereon.

SCHEDULE - II

(Description of Moveable Properties)

All the tangible movable properties and assets of the Borrower/s of whatsoever nature including plant, machinery, tools and accessories, stores, spares, relating to the plant and machinery, furniture, articles, office equipment, computers, and things belonging to the Borrower/s and lying and being at their premises / factories at Jalgaon, Umala (J2), Thane, Vadodara being movable properties and capable of passing by delivery, both present and future, whether, installed or not and whether now lying loose or in case and now being or at any time hereinafter during the continuance of this Agreement brought into or upon or at any time in course of transit to the premises / factories of the Borrower/s at Jalgaon, Umala (J2), Thane, Vadodara either by way or substitution or in addition or other place whatsoever and wheresoever in the possession or occupation of the Borrower.

SCHEDULE - III

(Description of Current Assets)

GOODS: All stock of raw materials, goods in process and finished goods such as Copper, CRGO, Tank, Fuel, Tools, J Steel Angles, Steel Plates, Nuts/Bolts, Tower Accessories etc., consumable stores and spares, packing material, etc. both present and future, now being or hereafter during the continuance of this Agreement brought into or upon or now or hereafter in course of transit to any godowns, jotas or place whatsoever and wheresoever in the possession or occupation of the Borrower.

BOOK DEBTS: All the present and future book-debts, outstanding, moneys, receivables, claims, bills, rights, to or in movable properties and movable assets and which are now due, owing or payable or belonging to the Borrower or which may at any time hereafter during the

continuance of this security become due, owing, payable or belonging to the Borrower/s in the course of its business by any person, firm, company or body corporate or by the Government Central or State or Indian Railways, any Government Department or office or any municipal or local or public or Semi Government body or authority or any body corporate or undertaking or project whatever in the public sector