



INDIALAW

# Working Capital Funding

Working Capital Funding Law Firm in India for Consortium Lending and Security

PRACTICE PROFILE • MAY 2026

## Overview

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Our firm is widely recognized in the banking and finance sector for its expertise in handling large-scale consortium lending transactions, particularly for working capital funding required by corporate borrowers. We pride ourselves on delivering efficient, tailored legal solutions that support lenders and borrowers alike in complex financing arrangements.

## Our Services

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### Expertise in Consortium Lending for Working Capital Financing

We have extensive experience in structuring and executing consortium lending transactions for working capital requirements across industries. Our recent notable work includes advising and representing high-profile clients such as Megha Group, Pennar Group, Ramkey Group, and Navayuga Group, among others.

Our team is known for providing:

- Strategic guidance to lenders in structuring large financing deals
- Comprehensive advice on security creation to protect lender interests
- Seamless execution of multi-lender financing arrangements across diverse sectors

### Security Creation & Protection of Lender Interests

A critical element of our practice in working capital financing is security creation. We advise consortium lenders on the security structure to safeguard their interests, particularly for projects with properties spread across multiple state jurisdictions. Our expertise includes:

- Mortgage creation, negative liens, and hypothecation of assets
- Structuring security interests that comply with regulatory requirements and provide optimal protection for lenders
- Advising on complex cross-jurisdictional security issues

### Comprehensive Legal Due Diligence & Documentation

Our firm conducts thorough due diligence of key project documents to ensure the legal soundness of the financing transaction. This includes:

- Reviewing development agreements, lease deeds, and permissions to mortgage
- Ensuring the compliance of all relevant documentation with local laws and regulations
- Drafting and negotiating loan agreements that facilitate financial closure while protecting the interests of all stakeholders

We are known for our solution-oriented approach that ensures timely and efficient deal closure, aligning the interests of all parties involved.

### Strategic Legal Advice on Compliance & Risk Mitigation

Our legal team provides expert advice on compliance with regulatory frameworks, helping clients navigate the complexities of working capital funding. We specialize in:

- Identifying and mitigating legal risks throughout the loan structuring and documentation process
- Ensuring full regulatory compliance for all stakeholders
- Advising on practical, efficient solutions to achieve financial closure with minimal disruption

## Key Professionals



**Shiju P V**

Managing Partner



**Shrishail Kittad**

Senior Partner



**Nim Dem Dorjee**

Associate Partner



**Rahul Sundaram**

Partner



**Shweta Tiwari**

Associate Partner

## Frequently Asked Questions

### Q1 What does working capital funding legal advisory cover in India?

It covers structuring consortium lending arrangements, drafting facility and security documents, conducting due diligence on borrower assets, creating mortgages and charges across jurisdictions, and ensuring compliance with RBI lending norms and SARFAESI requirements.

### Q2 When should a corporate borrower engage a lawyer for working capital financing?

Ideally before the term sheet is signed. Early engagement helps negotiate favourable covenants, identify title or lien issues on proposed security assets, and structure the facility to align with seasonal or cyclical cash flow needs of the business.

### Q3 Which Indian laws and regulators govern consortium working capital lending?

RBI master directions on loans and advances set prudential norms. The SARFAESI Act governs security enforcement. The Companies Act 2013 requires registration of charges with MCA. State registration and stamp duty laws apply to mortgage creation across jurisdictions.

### Q4 What is the typical timeline for closing a consortium working capital facility?

A straightforward facility with clear title documents can close in four to six weeks. Timelines stretch when properties span multiple states, since each state has its own stamp duty, registration process, and mortgage formats. Due diligence depth is the main cost driver.

### Q5 What documents does a lender need to begin the working capital financing process?

Lenders typically require the borrower's incorporation documents, board and shareholder resolutions, audited financials, title deeds for security properties, existing encumbrance certificates, development agreements, lease deeds, and any prior charge registration filings with MCA.

### Q6 What common pitfalls arise in multi-state security creation for working capital loans?

Failing to account for varying stamp duty rates and registration procedures across states is frequent. Incomplete title chains, unregistered prior liens, and missed CERSAI filings can render security defective. Early cross-jurisdictional diligence prevents costly enforcement failures later.