

# DEMAND PROMISSORY NOTE

On Demand I / We \_\_\_\_\_

hereby promise to pay jointly and severally to INDUSIND BANK LTD, \_\_\_\_\_  
Branch (Town) or order or wherever demanded Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) and  
compound interest on at \_\_\_\_\_ per cent per annum with monthly rests, or at such rates and rates  
as per the directives of Reserve Bank of India or as per the lending rates fixed by the Bank from time to  
time from the date hereof till the date of realization or collection by the Bank of all such amounts plus penal  
interest, interest tax, liquidated damage, commission, costs, charges and expenses at such rates as may be  
prevailing or fixed or to be fixed by the Bank from time to time without reference, notice or intimation to me/us  
not withstanding Bank's decision/action/policy to reverse any debit entry or not to debit interest or not to make  
any debit in Bank's books or in ledger account or in statement of account for any period whatsoever,

\* (to be signed by each borrower on Revenue Stamp of Re. 1/-)

1.  \_\_\_\_\_  
Borrower Signature (Name of Executant)
  
2.  \_\_\_\_\_  
Co borrower Signature (Name of Executant)
  
3.  \_\_\_\_\_  
Co borrower Signature (Name of Executant)

## WITNESS DECLARATION IF BORROWER SIGNS IN VERNACULAR LANGUAGE

The contents of the Loan application, Agreement and Promissory Note been explained by me. To the applicant  
in \_\_\_\_\_ (name of the language in which the applicant has signed) and the same  
have been understood by the applicant.

Name of the Witness : \_\_\_\_\_

Address Of Witness : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of Witness : \_\_\_\_\_

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

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

(# To be signed by any witness)



## AGREEMENT FOR SECURED LOAN

This Loan Agreement is made on, at the place and between parties set out in Schedule

### WHEREAS

- a. The Borrower(s) has/have approached the Bank for a loan/advance/Cash Credit/Overdraft facility (hereinafter referred to as "loan") for the purpose declared by the Borrower(s) in his/their application, against the security of immovable property/properties, to be mortgaged by the Borrower(s) in favour of the Bank.
- b. The Borrower(s) agrees and declares the due performance and observance of all the clauses, covenants, terms and conditions of this Agreement.
- c. The Co-Borrower(s) in consideration of the Bank agreeing to grant the said loan to the Borrower(s) has/have herein provided agrees, declares, undertakes to the Bank the due performance and observance by the Borrower(s) of all clauses, covenants and terms and conditions of this agreement and agrees to pay on demand any money due or which may become due and payable to the Bank under this agreement (not paid by the Borrower(s)) either by way of principal, interest, additional interest, expenses, damages, repairs, replacements or other compensation and other costs and agrees to create security over the immovable property/properties in the manner and mode stipulated by the Bank

Relying upon the representations made by the Borrower(s) and the Co-Borrower(s) the Bank has agreed to make available the loan facility to the Borrower(s) upon the terms and conditions mentioned hereunder.

### NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

#### 1. DEFINITION

**Agreement** - The Agreement along with any supplementary agreement executed between the Bank, Borrower(s), Co-Borrower(s) and Guarantor(s) including any schedules to the agreement annexed therein duly signed by the parties.

**Application Form** shall mean and include any application submitted in the prescribed form by the Borrower(s) and Co-Borrower(s) to the Bank for seeking loan facility.

**Base Rate** means the reference Rate announced by the Bank in terms of guidelines issued by RBI as BASE RATE from time to time for the purpose of lending,

**Borrower(s)** means one or more individual(s), a sole proprietorship concern, limited/unlimited Partnership firm, or a limited company whose name(s) is/are stated in the schedule executing the Agreement as Borrower(s) and

- In case the Borrower(s) is more than one individual, each one being deemed to have made this agreement individually and all of them having agreed to liabilities here under jointly and severally and the term "Borrower(s)" shall include his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns.
- In case the Borrower(s) is a sole proprietorship concern the person whose name appears as the sole proprietor and the term Borrower(s) shall include his/her/their respective heirs, executors, administrator, legal representatives and permitted assigns,
- In case the Borrower(s) is a limited/unlimited partnership firm, the person whose names are mentioned in the schedule hereto conducting their activities in partnership firm in the name and style as mentioned in the schedule (Firm). The said firm together with its partners in their individual capacity hereinafter collectively referred to as the "Borrower(s)" and shall include them and their survivors or survivor or partners or partner for the time being thereof and his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns,
- In case the Borrower(s) is a limited company, Directors of the Company or the persons authorized by the Company, whose names are mentioned in the schedule hereto, conducting the activities of the company in the name and style as mentioned in the schedule (Company). The said Company together with its Directors in their individual capacity hereinafter collectively referred to as the "Borrower(s)" and shall include its successors, administrators and permitted assigns subjected to the provisions of Companies Act, 1956.

**Co-Borrower(s)** - The term 'co-Borrower(s)' wherever the context so requires shall mean and be construed as the person who is availing the loan along with the Borrower(s) and agrees for the repayment of the loan and assures the due performance of all the conditions of this agreement in place of the principal Borrower(s); The liability of the co-Borrower(s) is co-extensive with that of the Borrower(s). The term "Co-Borrower(s)" shall include his/her/their respective heirs, executors, administrators' legal representatives and permitted assigns.

**Dues** means any principal amount along with interest, Additional Interest Charges, expenses, cheque bounce charges, outstation cheque charges, travel expenses, prepayment charges and other charges, expenses and cost as may be applicable and levied from time to time by the Bank and payable by the Borrower(s) on its due date.

**Effective Date** means the date of execution of this agreement.

**Effective Rate of Interest** means the rate of interest calculated by taking into consideration the Base Rate and Margin or Mark-up (spread fixed at the time of sanction of the loan). The same shall be calculated on case to case basis as per the sanctioned terms as specified in the Schedule. The rate of interest shall be floating rate of interest and shall vary depending upon variation in Base Rate. Provided further that rate of interest during the tenure of the loan shall be subject to the minimum rate specified in sanction letter.

**Electronic Clearance** means the instruction given by the Borrower(s) or the Co - Borrower(s) to his Banker

**Service Mandate / ECS** for the electronic transfer of funds in favour of the Bank for the remittance of the monthly instalments payable under this Agreement.



Borrower(s)



Co-Borrower(s)

**EMI / Instalments** means Equated Monthly Instalment as specified in the Schedule necessary to amortize the Loan together with interest and other components if any, over the period of the Loan. The EMI depends upon the base rate and subject to variation in line with variation in Base Rate as per guidelines issued by RBI and/or as per Bank's policy.

**Loan** means the loan amount referred to in Clause 2.1 of this agreement and mentioned in the schedule provided under this agreement and includes any instalment that remains unpaid and due together with interest, charges and costs etc., thereon.

**Loan Agreement** Means this Agreement together with all schedules, annexures and appendices attached hereto, and shall include any written modifications, amendments, supplements or alterations made by the Parties

**Non Performing Asset** means any loan including interest/principal/any demand by the Bank remaining unpaid (overdue) for a period more than 90 days and/or the loan is irregular for period more than 90 days categorized according to the guidelines issued by the RBI from time to time.

**Post Dated Cheques** for the amount of the instalment drawn by the Borrower(s) or Co-Borrower(s) in favour of the Bank bearing the dates to match the due date of each instalment.

**Pre-EMI** means the interest charged by the Bank from the date/dates of disbursement of the loan to the date immediately prior to the commencement of the EMI

**Prepayment or the repayment** of the entire loan even before the maturity means

**Foreclosure** "Foreclosure" otherwise than in accordance with the schedule of repayment as per the terms and conditions contained herein for such prepayment/foreclosure together with such charges as may be prescribed by the Bank from time to time.

**Repayment** means the repayment of the Principal Loan amount as specified in the Schedule and interest thereon, including charges, premium, costs, fees or other dues payable in terms of this Agreement to the Bank, and in particular includes amortization of such payment provided for in Clause 5. of this agreement calculated under any approved method of accounting followed by the Bank at its sole discretion.

**Any repayment / payment of EMI** shall be given effect to only when such payment has been realized and the proceeds have been credited to the Bank's account. The burden of proving such credit lies with the Borrower(s)/Co-Borrower(s).

**RBI** means Reserve Bank of India

**Sanction Letter** means a letter issued by the Bank conveying the sanctioning of the loan facility to the Borrower(s) and shall be read in terms of and in conjunction with this Agreement.

**Secured Asset** means and includes both Primary security charged (the immovable Property/properties against which the loan has been sanctioned) and the additional security offered for the loan with all subsequent developments, constructions, improvements and additions to it, till the settlement of the loan.

**Schedule** means and includes Schedule forming part of this Agreement and any other Schedules executed by the parties herein.

**Standing Instructions or SI or Standing Order or Auto debit instructions** means the instruction given by the Borrower (s) or Co - Borrower (s) to appropriate the funds in the Bank's favour from the account maintained by them with the Bank for the remittance of the monthly instalments payable under this agreement.

- 1.1 The expressions and meaning contained in the General Clauses Act, 1897 shall apply wherever the terms and expressions are not specifically defined herein for the purpose of interpretation and /or for giving effect.
- 1.2 All terms used in singular shall unless the context requires otherwise, include plural and a reference to one gender shall include all genders.

## 2. LOAN AMOUNT & DISBURSEMENT

- 2.1 The Bank hereby agrees to grant to the Borrower(s) and Co-Borrower(s), and the Borrower(s) and Co-Borrower(s) hereby agrees to avail from Bank. the loan amount mentioned in the Schedule in the manner and on the terms and conditions as mentioned in this agreement for the purpose declared by the Borrower(s) and specified in the Schedule.
- 2.2 The Co-Borrower(s) agrees and confirms that the Bank shall disburse the loan to the Borrower(s) as per requirement of the Borrower(s). The disbursement of loan, to the Borrower(s) shall be valid consideration for the Co-Borrower(s) to undertake the liability.
- 2.3 The loan shall be disbursed in one lump sum or in suitable instalments or loan shall be allowed to draw within the limit as decided by Bank which decision shall be binding on the Borrower(s)/Co Borrower(s).
- 2.4 The Borrower(s) hereby acknowledges the receipt of the loan disbursed as indicated herein below.
  - a. Disbursement of the loan will be done directly to the Borrower(s) or to the existing financier/bank or to any person as indicated and requested by the Borrower(s) as the case may be. Disbursement shall be deemed to have been made to the Borrower(s) from the date of the disbursement cheque or payment advice as the case may be, irrespective of the date on which the disbursement may have been received by or on behalf of the Borrower(s). All payments to be made by the Bank to the Borrower(s) under or in terms of the loan shall be made by a Demand Draft/Pay Order/Cheque duly crossed and marked account payee or by transferring the funds in the account maintained with the bank. The collection charges if any, in respect of all such DD/Pay orders/Cheques will have to be borne by the Borrower(s).
  - b. The Bank may, by notice to the Borrower(s), suspend or cancel disbursement of the loan, at any time if the entire loan or part thereof is not fully drawn within such period as Bank may specify from the date hereof. Further the Bank at its sole discretion may cancel disbursement of the loan sanctioned if the Borrower(s) fails to adhere to the terms



**Borrower(s)**



**Co-Borrower(s)**

and conditions or if the Bank receives any adverse information on the credentials and/or creditworthiness of the Borrower(s).

- c. The Bank should be satisfied at the time of disbursement that the loan is required immediately by the Borrower(s) and the Borrower(s) shall provide evidence satisfactory to Bank of the proposed utilization of the proceeds of disbursement.

### 3. INTEREST AND BANK CHARGES

- (i) The Borrower(s) shall pay interest with monthly rests at the rate/s / rest/s as may be specified in the sanction letter and Schedule hereunder written and/or Draw Down letter and as may be modified by the bank, from time to time.
- (ii) Interest shall be calculated on daily debit balance in account/s with monthly rests and shall be payable in the last day of the calendar month.
- (iii) In default of payment of interest as stated above, the same shall be capitalised and added to the principal and shall be treated as an advance to the Borrower(s) secured by the mortgage hereby agreed to be created and the Bank shall be entitled to charge interest at the aforesaid rate on the debit balance capitalised as aforesaid.
- a. Periodicity of interest/ Rest: - The interest will be applied at monthly rests or such other rests as per the Bank's Policy applicable from time to time. The Bank at its sole discretion may change and vary the periodicity of interest (rest) as per the Bank's policy from time to time.
- b. Tax on Interest:- The Borrower(s) shall reimburse to the Bank such amount as may have been paid or be payable by the Bank to the Central or State Government on account of any tax levied on interest on the loan.
- c. Change of rate of interest/additional interest/rest:- The Bank shall be entitled to change the rate of interest and/ or periodicity of rests and/or additional / interest, as per RBI guidelines and/ or as per policy of the Bank, by sending to the Borrower(s) an intimation or publishing it in any newspaper, notice board or website of the Bank, its intention to change the rate of interest and/or rests and/or additional interest and the Borrower(s) shall be deemed to have consented to such change; and the Borrower(s) hereby agree/s to pay interest thereafter at such revised rate and/or rests. The Borrower(s) shall not be entitled to dispute or question the same on any ground whatsoever.
- d. Additional Interest:- Without prejudice to the Bank's rights and remedies under this agreement and/or available to it under law, if the Borrower(s) delays the payment of EMI Interest/Dues/Charges thereon/ does not comply with any of the terms of sanction/commitments made under this agreement or under any of the documents executed in relation to the facility, the Borrower(s) shall be liable to pay additional interest and/or other charges at such rates stipulated in the schedule or as may be revised under the Bank's policy applicable from time to time.
- e. Processing fees & other charges:- The loan shall bear such processing fees, administrative fees or any other fees as may be mentioned in the schedule, which the Borrower(s) agrees to reimburse to the Bank separately.

The Bank shall be entitled to recover from the Borrower(s) any other charges or costs incurred or claims suffered by the bank in connection with the loan, on account of execution and stamping of this agreement and any other documentation or security creation pursuant to this agreement.

### 4. TENOR OF THE LOAN

#### 4.1 Tenor and Recall of Loan

The agreement shall come into force from the effective date and shall remain in force as stipulated in the Schedule.

If one or more events specified in the events of default shall occur, then the Bank by a written notice to the Borrower(s) may terminate the facility and recall the loan, which will become repayable forthwith along with the applicable charges.

Notwithstanding anything contained herein this agreement, Bank reserves the right to recall the loan on demand, without assigning any reason to the Borrower(s).

#### 4.2 Re-Scheduling the Repayment

The Bank shall be entitled to, if the Bank deems fit in the circumstances, re-schedule the repayment in such manner and to such extent as the Bank may, in its sole discretion, decide and the repayment will be made by the Borrower(s) as per the said re-scheduling notwithstanding anything stated in the Schedule. The re-schedulement of the payment shall not affect or alter the other conditions and clauses of the agreement unless expressly mentioned therein.

### 5. REPAYMENT, MODE OF REPAYMENT & PREPAYMENT

#### 5.1.A REPAYMENT OF LOAN

- (a) The repayment of the Loan and the interest thereof shall be made by the Borrower(s) in Instalments. The details such as number, due dates and amount payable in respect of the Instalments are described in the Schedule. The repayment schedule is without prejudice to the right of the Bank to demand unscheduled repayment of the entire Loan amount along with other dues. Further, the computation/fixation of the Instalment will be without prejudice to the right of the Bank to re-compute the amount of Instalments and interest thereon, including in case it is discovered at any stage that the Instalments have been computed wrongly. The Instalments shall be payable as per the schedule.
- (b) The repayment of the loan has been calculated and scheduled in accordance with the capital recovery method. The Borrower(s) and the Co – Borrower(s) agree and accept that the said accounting method and shall not question the validity or otherwise of the said method and that they agree for amortization of loan and recovery of principal and interest by the said method of accounting by the Bank. In case of change of method of income recognition, then the Bank shall notify the same as may be required by such regulations. In event of prepayment of the contract, interest will be calculated under the above said capital recovery method till the date of foreclosure



Borrower(s)



Co-Borrower(s)

- (c) The Borrower(s)/Co-Borrower(s) agree that time is the essence of the contract.
- (d) After execution of this Agreement no notice, reminder or intimation will be issued to the Borrower(s) regarding his obligation to pay the Instalment regularly on due date. It shall entirely be the responsibility of the Borrower(s) to ensure prompt and regular payment of the Instalments.
- (e) Without prejudice to any other rights and remedies which the Bank may have under this Agreement and/or under the prevalent law, in the event of any delay by the Borrower(s) in any payment to the Bank under this Agreement, the Bank shall be entitled to charge an additional interest as described and at the rate indicated in the Schedule on the entire such outstanding amount from the due date till the amount is credited to the Bank, whether of Loan, interest or any other charges payable hereunder. The Bank is entitled to treat such non-payment as a dispute which could be referred to an Arbitrator as per Clause 23 of this Agreement. The aforementioned additional charge would not affect the obligation of strict compliance with repayment being an essential condition for the grant of Loan.
- (f) Any dispute being raised about the amount due or interest computation will not enable the Borrower(s) to withhold payment of any Instalment.

or

#### 5.1.B Availing of and Repayment of Overdraft/ Cash Credit facility.

- (a) The amounts to be allowed to be outstanding by the Bank from time to time under the said account shall not exceed the said limit but the Bank shall have an absolute discretion to determine how much amount of the aforesaid limit it will advance and/or allow to be outstanding from time to time in the said account and the Bank shall be at liberty to terminate the facility and refuse to allow further drawings thereon at any time without any previous notice to the Borrower(s).
- (b) The Borrower(s) will regulate their drawings from the said account in such manner that the amounts due from time to time on the said account shall be kept within the available limit hereinabove mentioned.
- (c) If the Borrower(s) shall commit any event of default or if it appears to the Bank that false or misleading information in any material particular was given in the application made by the Borrower(s) for said credit facility, then and in any such case it shall be lawful for the Bank forthwith or at any time thereafter to terminate the said credit facility and to demand repayment at the dues thereunder.
- (d) The Borrower(s) agree to accept as conclusive proof of the correctness of any sums claimed to be due from the Borrower(s) to the Bank under this agreement, a statement of account made out from the books of the Bank and signed by the Manager of the Bank without the production of any other voucher, document or paper.
- (e) The Borrower(s) shall at all times during the continuance of this security keep and maintain such margin of security in favour of the Bank, (hereinafter called "the said Margin") as stipulated in sanction letter or as may be stipulated by Bank from time to time. The Borrower(s) shall not at any time operate or draw against the said account so as to cause the debit balance on such account, at any time to exceed the percentage as the Bank may from time to time to fix the cost or market value (market realisable value as found by the said Bank) whichever is lower of the market value of the property/properties. If and so often as the said margin shall fail to be maintained then the Borrower(s) shall forthwith (according as the Bank may require) either additional property/properties as approved by the Bank and of sufficient value to make up the deficiency or shall reduce the amount for the time being due to the Bank by a cash payment so as to maintain the said margin.
- (f) The security to be created shall be a continuing security for the balance from time to time due by the Borrower(s) to the Bank on the said account and the said account is not to be considered as closed for the purposes of the security and the security not to be considered exhausted by reason of the said account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit and the charge of the Bank on the property/properties will continue unaffected until the said cash credit facility is terminated and all moneys due hereunder are repaid in full.

#### 5.2 MODE OF PAYMENT OF THE Instalment

- (a) The repayment shall be either by way of Post Dated Cheques (PDC) or by Electronic Clearance System Mandate (ECS) / Standing Instructions (SI) or any other accepted modes of transfer of funds permitted under the Indian banking system, to the Bank on the due dates. The Borrower(s) acknowledges that the strict remittance of the Instalments for the repayment the loan is an essential condition for the grant of the Loan.
- (b) No notice, reminder or intimation shall be given by the Bank to the Borrower(s) prior to the presentation/execution of any of the PDC's/ECS/SI issued by him.
- (c) In case the Borrower(s)/Co-Borrower(s) delivers to the Bank only few post dated cheques (PDCs) covering only some of the Instalments but not all the Instalments of the contract period, the Borrower(s) shall deliver to the Bank, as and when demanded by the Bank, the balance PDCs for the remaining Instalments so as to cover the entire contract period as per the schedule. The Borrower(s) is solely responsible to ensure that such Instalment proceeds are credited to the Bank. All costs incurred thereon until such credit shall be to the account of the Borrower(s).

The Borrower(s) shall be solely responsible to ensure prompt and regular payment of the Instalments irrespective of whether the Borrower(s) has delivered to the Bank the PDCs for all the Instalments for the entire contract period or few PDCs which covers only a part of the contract period.

- (d) If any or more than one or all of the PDC's delivered to the Bank by the Borrower(s) pursuant to Clause 5.2 (a)
  - (i) is/are lost, destroyed or misplaced while in the custody of the Bank or(ii)become(s) non encashable due to death, insolvency, insanity, termination of authority or otherwise of the signatory or any or more of the signatories (if more



**Borrower(s)**



**Co-Borrower(s)**

than one) thereof or liquidation or any moratorium of the drawee bank, then in such an event, the Borrower(s) shall, on receipt of the intimation of such loss, destruction or misplacement (as the case may be) from the Bank or immediately on the said cheques or any of those being non encashable due to the reasons mentioned in Clause 5.2(d)

- (ii) above, deliver to the Bank such numbers of cheques as are adequate to replace those that have been lost, destroyed, misplaced or become non encashable, or make such suitable alternative arrangement for repayment of Loan as is acceptable to and is approved by the Bank or repay in cash or DD.
- (e) In case the Borrower(s) wish to swap/interchange the cheques issued from one Bank to another or change the mode of payment to cheque payment or ECS/SI, then the Borrower(s) shall pay applicable swap charges as indicated in the First schedule to the Agreement.
- (f) (i) It is agreed and understood by the Borrower(s) that non-presentation of the cheques by the Bank due to any reason whatsoever will not affect the liability of the Borrower(s) to repay the Loan.  
(ii) The Bank shall not in any way be responsible for delay, omission or neglect in encashment, damage or loss of any cheques (already given or to be given by the Borrower(s) to the Bank in terms hereof) for any reason whatsoever. In other words the Borrower(s) is responsible for payment of the Instalments until the proceeds in respect of the Instalments have been credited to the account of the Bank. The Bank may at any time demand proof of realization to the account of the Bank for payment effected by the Borrower(s) and that the Borrower(s) shall provide the same within 5 days from the date of demand  
(iii) Any delay in the realization of the instrument issued by the Borrower(s) in the nature of cheque/ ECS/SI mandate, as applicable, whether sent for collection by local clearance or by outstation clearance in case of cheques or otherwise, the consequential cost incurred thereof including the additional interest charges shall be borne by the Borrower(s) until its realization.
- (g) Without prejudice to any other rights or remedies the Bank may have under this Agreement and/or under the prevalent law or equity, the Borrower(s) shall be liable to pay a flat charge as stated in the Schedule in case of dishonour of the PDC's or dishonour of ECS mandate or standing instructions or any other recognized mode by Banks on presentation. The levy of charge upon dishonour is without prejudice to the rights of the Bank under the Negotiable Instruments Act, 1881, and Payments and Settlements Act, 2007 respectively or under similar Acts as amended and as in force for the time being and without prejudice to the other rights, which the Bank has under this Agreement or under law or equity.
- (h) The charges mentioned in the Schedule of this Agreement are subject to change at the sole discretion of the Bank.
- (i) The Borrower(s) shall also pay the Bank, the Pre EMI every month as applicable.

### 5.3. APPROPRIATION OF PAYMENTS

The Bank shall have a right to appropriate any payments due and payable under the Loan Agreement and made by the Borrower(s) towards dues in the order the Bank deems fit, towards the following:-

- (i) Premium on prepayment;
- (ii) Costs, charges, expenses and other monies including cost of maintaining legal proceedings if any;
- (iii) Interest on costs, charges, expenses and other monies
- (iv) Service charges,
- (V) Interest, including additional interest, if any, payable in terms of the Loan Agreement
- (vi) Repayment of Instalments of principal due and payable under the Loan Agreement.
- (vii) Fee or any payments receivable by the Bank

### 5.4. PREPAYMENT

The Bank at its sole discretion and on such terms as it may prescribe permit prepayment / acceleration in payment of EMIs at the request of the Borrower(s) to the extent and in the manner Bank may specify from time to time. In the event of prepayment, the repayment of the loan may be amended / altered for giving effect to such prepayment at the sole discretion of Bank.

The Bank, at its sole discretion levy and recover from the Borrower(s), prepayment charges on the balance outstanding amount or on such applicable amounts at the rate mentioned in the schedule or as determined by the policy of the Bank from time to time on the date of such prepayment in addition to the loan amount. The prepayment shall take effect only when cash has been paid or cheques have been realized.

## 6. REPRESENTATIONS, COVENANTS, UNDERTAKINGS AND WARRANTIES BY THE BORROWER(S)

### 6.1 AFFIRMATIVE COVENANTS

- a) Utilization of loan: The Borrower(s) shall utilize the entire loan for the purpose declared by the Borrower(s) and indicated by him in his loan application and for no other purpose whatsoever. The same shall be supported by supporting documents.
- b) Borrower(s) shall create security as stipulated in the sanction letter and execute any other documents in the manner and mode as may be stipulated by the Bank and complete the formalities to create security over the properties in favour of Bank.
- c) To notify change in employment/businesses/ etc.: The Borrower(s) shall notify the Bank in writing, any change in his employment, nature of business, constitution of firm/company or profession, as the case may be within seven days of the change. Further the Borrower(s) should furnish his financial results to the Bank periodically or as and when demanded to keep the Bank apprised of his financial position.



Borrower(s)



Co-Borrower(s)

In case of the Borrower(s) being a company the Bank also reserves its rights to appoint a nominee director if in the opinion of the Bank the net worth of the Borrower(s) has depreciated in value.

- d) Change in Address: The Borrower(s) shall inform the Bank forthwith as regards any change in his address for service of notice or any other correspondence within seven days of such change in the absence of any such intimation duly acknowledged by the Bank, the address mentioned in this agreement shall be deemed to be the address for all purposes and for service of notices or other proceedings initiated by the Bank. The Borrower(s) shall furnish to the Bank as and when there arises a requirement under the KYC norms, all the necessary details that shall be required by the Bank.
- f) The Borrower(s) shall abide by all terms and conditions as specified in sanction letter including general and special covenants mentioned therein, which shall form part and parcel of this agreement as if incorporated herein.

## 6.2 NEGATIVE COVENANTS

**Unless Bank shall otherwise agree:**

- a) Surety or Guarantee: The Borrower(s) shall not stand surety for anybody or guarantee the repayment of any loan or the purchase price of any asset without the permission of the Bank.
- b) Migration: The Borrower(s) shall not leave India for employment or business or either permanently or for long term stays abroad without fully repaying the loan as on then outstanding together with interest and other dues and charges including prepayment charges as per the policy of the Bank then in force.

## 7. EVENTS OF DEFAULT

1. Failure of Payment of Instalment and/or interest as and when Due: If default shall have occurred in payment of PRE-EMI if applicable /interest and/or EMIs and/or in payment of any other amounts due and payable to the Bank as specified in the Schedule in terms of the Loan Agreement and/or in terms of any other Agreement/s, document/s that may be subsisting or that may be executed between the Borrower(s) and the Bank.
2. Performance of Covenants: If default shall have occurred in the performance of any other covenants, conditions, representations, and/or warranties or agreements on the part of the Borrower(s) under the Loan Agreement or any other agreement/s between the Borrower(s) and the Bank.
3. Supply of Misleading Information: If any information given by the Borrower(s) in the application or otherwise is found to be misleading or incorrect in any material respect or any warranty referred to in this agreement is found to be incorrect.
4. Depreciation of Security: If any property/properties on which the security for the loan is created depreciates in value to such an extent that in the opinion of the Bank further / additional security should be given and if such security is not given by the Borrower(s).
5. Sale or Disposal of Property / properties: If the property/properties offered/to be offered as security or any part thereof is let out, given on leave or license, sold, disposed off, charged, encumbered or otherwise alienated in any manner.
6. Attachment or Distraint of Property / properties: If an attachment or distraint is levied on the property/properties offered as security or any part thereof and/or certificate proceedings are taken or commenced for recovery of any dues from the Borrower(s).
7. Non-payment / non-renewal of Cheque: If a cheque in respect of any monthly Instalment is not paid on the due date or where any such cheque requires to be replaced with a valid cheque before the date of its payment.
8. Non-delivery of cheques: If the Borrower(s) fails to deliver post-dated cheques in accordance with the terms of the Loan Agreement or as and when demanded by the Bank.
9. Failure to deliver balance confirmation: If the Borrower(s) fails to sign and deliver to the Bank the balance confirmation of the loan as and when so required by the Bank in the absence of any manifest error in calculation in such statement pointed out by the Borrower(s) within 10(ten) days after receiving the balance confirmation statement from the Bank.
10. Security becoming unenforceable: If any security or guarantee of the loan becomes unenforceable or infractions or is challenged by the Borrower(s) or any other person.
11. Cross Default: If the Borrower(s) makes the default under any credit facility agreement or arrangement with the Bank or any other Bank/Financial Institution/Non Banking Financial Company/Housing Finance Company or any of its subsidiaries and affiliates etc.
12. Short Payment: Where any payment made by the Borrower(s) to the Bank falls short of the payment required to be made by the Borrower(s) under this Loan Agreement with respect to any EMI or other amount due from the Borrower(s) to the Bank.
13. Death of the Borrower(s): If the Borrower(s) dies or becomes insane or otherwise not in existence, or is legally incapacitated.
14. Insolvency: If the Borrower(s) commits an act of insolvency or if the Borrower(s) is declared insolvent or ,receiver or official assignee is appointed in respect of any property/properties or estate of the Borrower(s) or if the Borrower(s) makes any application for declaring himself an insolvent or if an application for declaring the Borrower(s) as insolvent is made or any order is passed by any competent authority for declaring the Borrower(s) as insolvent, then in any of these events the entire loan amount shall become due and payable forthwith.
15. Winding up/Dissolution: If the Borrower(s) (in case of being a company or a partnership firm) takes any action by itself or other steps are taken or legal proceedings are initiated by any third party against the Borrower(s) for winding up, dissolution or reorganization or for the appointment of a receiver, trustee or similar officer on its properties, particularly on the Mortgaged Property/ Properties.
16. Any other just & equitable cause: If the Bank, finds any other just & equitable cause to recall the loan, the bank shall notify the reasons and recall the loan by giving notice to the Borrower(s).



**Borrower(s)**



**Co-Borrower(s)**



## 8. BANK'S RIGHTS

1. The occurrence of any/all of the aforesaid Events of Default shall entitle the Bank to terminate the facility and demand the payment by intimating to the Borrower(s) and Co-Borrower(s) that the entire sum of money and all other sums and charges of whatsoever nature, including but not limited to, interests on account of other taxes which would have been payable by the Borrower(s) if the Agreement had run to its full term, have become due and payable forthwith and to surrender the vacant possession of the property/properties offered as security within 15 days from the date of notice of default. The Bank shall be further entitled to charge an extra percentage at a rate specified in the Schedule on the principal outstanding and on the other amounts due and demand that all the aforesaid amounts be repaid to the Bank immediately. The Bank may by a notice in writing at its discretion call upon the Borrower(s) to rectify the event of Default within the period specified in such notice.
2. The Bank as a secured creditor shall, in the event of default or breach of clause(s) by the Borrower(s) mentioned in the agreement or on classifying the Secured asset as Non Performing Asset, be entitled to invoke the provisions of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI ACT) so as to enforce the Security interest more fully described in Schedule created by the Borrower(s) in lieu of repayment of loan.
3. Upon occurrence of an Event of Default, the Borrower(s) shall be bound to handover the vacant possession of the Property/properties mortgaged as security to the Bank in good condition subject to ordinary wear and tear excepted. The Borrower(s) shall not prevent or obstruct the Bank from taking the possession of the Property/properties mortgaged with the Bank as security. For this purpose the Borrower(s) covenants & confirms that the Bank's authorized representatives, servants, officers and agents will have unrestricted right of entry and shall be entitled to forthwith, or at any time without notice to the Borrower(s), to enter upon the premises, to take possession or recover and receive the same and if necessary to break open any such place. The Borrower(s) shall be liable to pay any charges and other such expenses incurred by the Bank for taking the possession of the Property/properties mortgaged with the Bank, cost of safe keeping of the property/properties and for its sale etc. The Borrower(s) shall immediately transfer, deliver, and endorse all registrations policies, certificates, and documents relating to the mortgaged property/properties to the Bank, its nominees or agents as the case may be. If the Bank takes possession of the Mortgaged Property/properties, the Bank shall not be responsible notwithstanding anything to the contrary containing in Section 151 of the Indian Contract Act, for any loss or deterioration of or damage to the Mortgaged Property/properties whether by fire, rain, flood, earthquake, lightning, accident or any other cause whatsoever.
4. Notwithstanding anything contained in this Agreement, the Bank shall be entitled to take possession of the Mortgaged Property/properties after due notice in this regard, whether the entire Loan amount has been recalled or not, whenever, in the absolute discretion of the Bank, there is likelihood of the dues payable to the Bank not being paid by the Borrower(s) and/or the Property/properties is likely to be transferred by the Borrower(s) to defeat the security and/or the payment of the due amounts payable to the Bank.
5. The Bank shall, in any/all the aforesaid Events of Default, be entitled to and the Borrower(s) hereby irrevocably authorizes the Bank to sell/transfer/assign the Property/properties including the property/properties lodged as Additional Security either by public auction or by private treaty or otherwise howsoever, and appropriate the proceeds thereof towards repayment of all the outstanding amounts from the Borrower(s) to the Bank under this Agreement. If the sale proceeds are not sufficient to meet all the dues of the Bank, the Borrower(s) shall be liable to pay for any deficiencies after the said appropriation. In case there is any surplus after adjusting the dues of the Bank, the same shall be paid to the Borrower(s). The Bank shall be entitled to proceed against the Borrower(s) or Co-Borrower(s) independently of such security.
6. The Borrower(s) shall not be entitled to raise any objections regarding the regularity of the sale and/or actions taken by the Bank nor shall the Bank be liable/responsible for any loss that may be occasioned from the exercise of such power and/or that may arise from any act or default on the part of any broker or auctioneer or other person or body engaged by the Bank for the said purpose.
7. The Bank shall be entitled to recover from the Borrower(s) all expenses (including legal costs on full indemnity basis) incurred by or on behalf of the Bank in ascertaining the whereabouts of the Property/properties, ascertaining and marking the boundaries of the land & building, taking possession, insuring and selling the Property/properties and of any legal proceedings that may be filed by or on behalf of the Bank to enforce the provisions of this Agreement. It is expressly clarified that the remedies referred to hereinabove shall be in addition to and without prejudice to any other remedy available to the Bank either under this Agreement, or under any other Agreement, or in law, or equity.
8. The Bank or its officers, agents or nominees shall not be in any way responsible for any loss, damage, limitation, or depreciation that the Mortgaged Property/properties may suffer or sustain on any account whatsoever whilst the same is in the possession of the Bank, its officers, agents or nominees or because of exercise or non-exercise of the rights, powers, or remedies available to the Bank or its officers, agents or nominees and all such loss, damage or depreciation shall be debited to the account of the Borrower(s) howsoever the same may have been caused.
9. The Bank or its Officers, agents or nominees shall at all times observe the code of its commitment to the Customers and to comply with all the requirement of the KYC norms.

## 9. REPRESENTATIONS, COVENANTS, UNDERTAKINGS AND WARRANTIES OF THE CO-BORROWER(S):

- a. The Co-Borrower(s) has adequate legal capacity to enter into and execute this agreement. The Co-Borrower(s) is neither restricted nor prevented in any manner under any law, statute, judgment, decree, ruling and contract or otherwise from executing and undertaking the obligations in the manner provided in this Agreement. Upon execution, this Agreement shall be a valid legally binding commitment of the Co-Borrower(s) for the enforceability against him of the terms of this Agreement. The Co-Borrower(s) (in case of being a company) is duly established and existing under the laws of India with power to enter into this Agreement to which it shall be a party.



Borrower(s)



Co-Borrower(s)

- b. The Co-Borrower(s) further agrees/s and undertake/s:
- i) The payment and discharge by the Borrower(s) of his liabilities under the Loan Agreement, to the Bank, as per the schedule and / or schedules attached to the Loan Agreement.
  - ii) Upon the happening of any of the Events of Default as contemplated under the loan agreement, the immediate payment and discharge by the Borrower(s) of his liabilities, without any demur or protest or objection of any nature whatsoever, the amount outstanding against the Loan extended by the Bank together with interest and all other amounts and charges payable by the Borrower(s) or incurred by the Bank, regarding the same.
  - iii) The due performance of all the terms and conditions provided under this Loan Agreement by the Borrower(s).
  - iv) The Co-Borrower(s) hereby expressly agrees that he/she/it shall not require any proof in addition to the written demand by the Bank, made in any format, raised at the above mentioned address of the Co-Borrower(s) indicating the happening of an Event of Default. A certificate in writing signed by an officer of the Bank stating the amount due at any particular time shall be conclusive evidence against the Co-Borrower(s).
  - v) The Co-Borrower(s) shall make payment on first demand by the Bank without restrictions or conditions and notwithstanding any objections by the Borrower(s) or any other person. The Co-Borrower(s) shall not require the Bank to justify the demand of the Bank and the Co-Borrower(s) shall not have any recourse against the Bank in respect of any payments made hereunder.
  - vi) The Co-Borrower(s) hereby expressly agree/s his/her/their liability is co-extensive with that of the Borrower(s) and, the Co- Borrower(s) is/are to be considered as principal debtors to the Bank for all the dues payable under the provisions of this agreement.
  - vii) The Co-Borrower(s) expressly agree that since his/their liability is co-extensive with that of the Borrower(s), for the purposes of effectiveness of this agreement, the Co-Borrower(s) is/are to be considered as principal debtors to the Bank for all dues payable under the provisions of this agreement.
  - viii) The Co-Borrower(s) hereby expressly agree/s that they shall not be exonerated from their liability to the Bank under any circumstances including without limitation, the following:
    - a) by any variance made in the terms of this contract or transaction between the Bank and the Borrower(s).
    - b) by any contract made between the Bank and the Borrower(s) by which the Borrower(s) be released, or
    - c) by any act or omission of the Bank, the legal consequences of which may discharge the Borrower(s).
    - d) by the Bank making a compromise with, or promising to give time to or not to sue the Borrower(s) or
    - e) by the Bank losing the security.
  - ix) The Co-Borrower(s) acknowledges that his/her/their obligation to pay arises immediately after dispatch of written notice by the Bank (by registered post) irrespective of whether the Borrower(s) have been called upon or proceeded against.
  - x) The Co-Borrower(s) hereby agrees to keep the Bank fully indemnified against all damage, losses, costs, charges and expenses (including Attorney's fees) arising from or under or in connection with any failure of the Borrower(s) to fulfill any of his/its obligations under the Loan Agreement.
  - xi) This Loan Agreement shall be interpreted in accordance with the laws of India.
  - xxii) The Co-Borrower(s) agree that the arbitration clause provided under the Loan Agreement binds him/her/them and he/she/they, is/are also bound by the award passed by the arbitrator.
- c. Liability of the Borrower(s) and Co-Borrower(s) to be Joint and Several
- The liability of the Borrower(s) and Co-Borrower(s) to repay the Loan together with interest, etc, and to observe the terms and conditions of this Agreement/s and any other Agreement/s, document/s that may have been or may be executed by the Borrower(s) with the Bank in respect of this Loan or any other Loan or Loans, is joint and several and consequently the Bank shall have sole discretion to proceed against both or either of them or all of them to recover the Loan and other charges payable by the Borrower(s) to the Bank.

## 10. "ASSIGNMENT"

The Bank shall have unfettered right to transfer, assign in full or in part the rights/benefits under this agreement to any third party who shall then ipso facto assume the rights of the Bank and the Borrower(s) shall be obliged to deal with such purchaser/transferee as if they were the Banks.

However the Borrower(s)/ Co-Borrower(s) shall not be entitled to transfer, assign any of his/her/its rights and obligations under this agreement.

## 11. "INSPECTION"

The Borrower(s) agrees that the Bank or any person authorized by the Bank shall have access to the property/properties for the purpose of inspection/supervision/valuation of the property/properties to be mortgaged as security. The Borrower(s) further agrees that the Bank shall have free access for the purpose of inspection of the property/properties at any time during the pendency of the loan. The Bank may also bound to allow inspection by RBI and other authorities as and when required to assess / inspect the property/properties or other security at any time during the continuance of the Loan Agreement or any time thereafter.

## 12. "DISCLOSURE"

- a. The Borrower(s)/ Co-Borrower(s) hereby expressly give consent to the Bank to disclose any information, at any point of time, relating to conduct and operations of the account to the RBI and / or any other Agency/ Authority such as Credit



Borrower(s)



Co-Borrower(s)

Information Bureau (India) Ltd., appointed/ designated by RBI. The Bank, without any further notice or intimation, can disclose and supply any information to the RBI and / or any Agency/Authority appointed by RBI. The Borrower(s)/ Co - Borrower(s), further agree that RBI and/or any other Authority so appointed can compile such data and/or information and can convey/supply such data and/or information and/or results thereof to Government, RBI , Other Banks, and/or Financial Institutions for any reasons whatsoever, for Credit Discipline in Banking Industry in India. The Borrower(s)/ Co - Borrower(s) expressly waive their right and discharge the Bank and/or RBI and/or any other Authority appointed by RBI from any liability for disclosure and/or use of such information on account of breach of any secrecy clause.

- b. The Borrower(s)/Co- Borrower(s) agrees that in case the Borrower(s) commits default in the repayment of the loan/ advance or in the repayment of interest thereon or agreed Instalment of the loan on due date(s),or otherwise jeopardize the interest of the Bank in any manner, the Bank and/or the RBI will have an unqualified right to disclose or publish the name of the Borrower(s)/Co-Borrower(s) as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

**13. "ANNUAL INCOME STATEMENTS"**

The Borrower(s) agrees to send to the Bank his/her/its annual income statements or such documents concerning his/her/ its employment/profession/business as and when the Bank calls for the same during the tenure of the loan period. The Borrower(s) shall permit the inspection of the books of accounts and any other records maintained by the Borrower(s) to the person authorized by the Bank.

**14. "INDEMNITY"**

The Borrower(s) undertakes to indemnify and keep the bank indemnified in respect of all representations, warranties, covenants, acknowledgement and information provided by him/them/it under this agreement and which have been believed to be true and relied upon by the Bank while granting the loan facility as well as during the currency of the loan.

**15. "WAIVER"**

No delay or omission to exercise any right or power or remedy accruing to the Bank upon any breach or default of the Borrower(s) under this agreement shall be construed as a waiver or an acquiescence of such breach or any similar breach of default thereafter occurring.

Any waiver by the Bank shall be in writing only and effecting only to the extent specifically set forth in such writing.

**16. "INSURANCE"**

The Borrower(s) shall ensure that a composite and comprehensive insurance policy (covering against risks including fire, flood, cyclone, typhoon, lightning, explosion, riot, strike, earthquake, risks and other acts of God for such other risks for full market value as specified by the Bank from time to time) is obtained from an insurance company in relation to the property/ properties. The said policy should have the Bank as the sole beneficiary. The original copy of said policy together with periodic renewals should be furnished to the bank without demand by the Bank. The Borrower(s) shall assign to the Bank such policy of insurance or the proceeds thereof and shall pay to the Bank the sums then outstanding on the said account in case the proceeds of any policy are received by the Borrower(s) during the continuance of this security and shall keep in force and maintain such insurance throughout the continuance of this security. In default, the Bank shall be entitled (without being bound to do so) to effect or renew such insurance, and any premium paid by the Bank and any costs, charges and expenses incurred by the Bank for preservation of the mortgaged property/properties shall be reimbursed by the Borrower(s) on demand forthwith and shall be debited to the said account and until repayment thereof with interest at the rate aforesaid be a charge on the mortgaged property/ properties . All sums received under such insurance shall be applied in or towards liquidation of the amount then due to the Bank hereunder.

**17. ENFORCEMENT OF SECURITY INTEREST**

- a. In the event of any default in the payment of Instalments, violation of the terms and conditions of the Agreement, the Bank shall be at liberty to take all or any of the legal action before all the forums and also enforce the security interest created by the Borrower(s) by invoking the provisions under the SARFAESI Act applicable in respect of the non performing asset.
- b. The Borrower(s) and Co-Borrower(s) expressly recognize and agree that the Bank shall be absolutely entitled and have full power and authority to sell, assign or transfer in any manner, in whole or in part, and in such manner and on such terms as the Bank may decide, to any third party of the Bank's choice without reference to or without written intimation to the Borrower(s) and Co-Borrower(s). This includes reserving the right of the Bank to retain its power hereunder to proceed against the Borrower(s) and Co - Borrower(s) on behalf of the purchaser, assignee or transferee, for any or all outstanding dues payable by the Borrower(s). Any such action and any such sale, assignment or transfer shall bind the Borrower(s) and Co-Borrower(s) to accept such third party as creditor exclusively or as a joint creditor with the Bank, or as creditor exclusively with the right to the Bank to continue and exercise all powers hereunder on behalf of such third party and to pay over such outstanding amounts and dues to such third party and/or to the Bank as the Bank may direct. The Borrower(s) and Co-Borrower(s) acknowledge and undertake to pay to third parties the difference between the total loan amount and the amount received by the Bank. In the event of such transfer of the portfolio to a third party, the third party shall have authority of the Bank to collect the due amounts.

**18. BANK'S RIGHT TO APPOINT AGENCY**

The Borrower(s) expressly recognizes and accepts that the Bank shall, without prejudice to its right to perform such activities itself or through its officers or servants, be absolutely entitled and have full powers and authority to appoint one or more third parties of the Bank's choice and to transfer and delegate to such third parties the right and authority to collect on behalf of the Bank the Instalments/interest/other charges due to the Bank under this Agreement and to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto including sending notices of demand otherwise contacting the Borrower(s) at his residence or office; or receiving the amounts due.



**Borrower(s)**



**Co-Borrower(s)**

## 19. SET-OFF AND LIEN

- 19.1 Notwithstanding anything contained in this Agreement, the Bank shall have a lien over all the assets including but not limited to title deeds of property/properties of the Borrower(s)/Co-Borrower(s) in the Bank's control and custody and a right to set off against any monies due to the Bank from the Borrower(s)/ Co-Borrower(s) and to combine or consolidate all accounts of the Borrower(s)/ Co-Borrower(s) with any liabilities and set off or transfer any sum or sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of Borrower(s)/ Co-Borrower(s) liabilities on any other account or in any other respect whether such liabilities be actual or contingent, primary or collateral and several or joint.
- 19.2 It is hereby agreed and understood by the Borrower(s) that, in the event the Borrower(s) defaults in payment of the Instalments/charges/fees, without prejudice to the right of termination, the Bank shall have the right to set-off the amount in the Borrower(s)'s/Co-Borrower(s)'s account that he/she/they/it may be holding with the Bank with the amount in respect of which the default has been committed under this Agreement.
- 19.3 It is hereby agreed and understood that in respect of all such accounts and liabilities aforesaid Bank shall have a lien on all stocks, shares, securities, property/ properties and book debts belonging to Borrower(s)/Co-Borrower(s) or now or hereafter held by Bank for safe custody, collection, or otherwise and all moneys now or hereafter standing credit in his/her/their current account or any other accounts. Bank will have the right to sell, realize all such securities and property/ properties as aforesaid for the purpose of realizing dues payable to the Bank.
- 19.4 The aforesaid rights are available to Bank notwithstanding any agreement between Borrower(s)/ Co-Borrower(s) and Bank, to the contrary and notwithstanding the fact that a particular security is given to Bank earmarked for particular loan or account and the same is cleared by Borrower(s)/Co-Borrower(s) by payment.

## 20. NOTICES

- 20.1 A certificate in writing signed by an officer of the Bank stating the amount at any particular time due shall be conclusive evidence both against the Borrower(s) and Co-Borrower(s).
- 20.2 Any change in address of the Borrower(s) and Co-Borrower(s), shall be notified to the Bank in writing within one week of such change. Any notice, letter/other documents sent by the Bank to the Borrower(s)/ Co-Borrower(s) shall be given at the address as stated in this Agreement, unless the change of address was notified by the Borrower(s)/ Co-Borrower(s) in writing and acknowledged by the Bank, and shall be deemed to have been received by the Borrower(s)/ Co-Borrower(s) within 48 hours after it has been sent by registered post to said address.
- 20.3 In all correspondence, the Contract number should be quoted by the Borrower(s)/ Co-Borrower(s).

## 21. PARTIAL INVALIDITY

If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent for any reason including by reason of any law or regulation or government policy, the remainder of this Agreement and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby. Such portion to the extent to which it is invalid or unenforceable alone which is separable, shall be segregated as void /invalid and the balance portion shall be retained and enforced with full force and effect to the fullest extent permitted by law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision, in a mutually agreeable manner.

## 22. LAW, JURISDICTION, ARBITRATION

- (a) This Agreement shall be governed by the Laws applicable in India. The Courts/Debt Recovery Tribunal, situated at the place specified in the Schedule shall have exclusive jurisdiction to try, entertain and decide the dispute between the parties.
- (b) All disputes, differences and/or claim arising out of or touching upon this Agreement whether during its subsistence or thereafter shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996, or any statutory amendments thereof and shall be referred to the sole Arbitrator nominated by the Bank. The award given by such an Arbitrator shall be final and binding on the Borrower(s) and Co-Borrower(s) to this agreement.
- (c) Dispute for the purpose of Arbitration includes default committed by the Borrower(s) as per clause 7 & 14 of this Agreement. It is a term of this agreement that in the event of such an Arbitrator to whom the matter has been originally referred to dying or being unable to act for any reason, the Bank, at the time of such death of the arbitrator or of his inability to act as arbitrator, shall appoint another person to act as arbitrator. Such a person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor.
- (d) The venue of Arbitration proceedings shall be at Chennai and the language shall be in English
- (e) The Arbitrator so appointed herein above, shall also be entitled to pass an Award or any interim orders on the mortgaged asset, additional security and also on any other securities furnished by or on behalf of the Borrower(s)/ Co-Borrower(s). The Arbitrator is further entitled to pass any interim directions with reference to the possession of the Asset as well as sale of the asset, or any other directions as may be appropriate to protect the interest of the parties pending resolution of the dispute.
- (f) All notices and other communications on the Bank and the Borrower(s) shall be to the following address:

For Bank: Consumer Finance Division Office: IndusInd Bank Ltd., No. 34, G.N. Chetty Road, T. Nagar, Chennai – 600 017.

For Borrower(s) and Co-Borrower(s): The residential address stated in this Agreement unless change of address is notified by the Borrower(s) or Co-Borrower(s).



**Borrower(s)**



**Co-Borrower(s)**

**23. ENTIRE AGREEMENT**

This Agreement (including all the Schedules) along with the documents, letters executed or to be executed by the Borrower(s) in favour of the Bank pursuant to this Agreement shall constitute the entire agreement between the Parties hereto with respect to its subject matter.

**24. TERM AND TERMINATION**

This Agreement shall come into effect from the date of disbursement of the Loan under this Agreement and shall terminate only upon the Borrower(s) making full repayment to the Bank of the Loan, interest thereon and all other charges and dues payable by the Borrower(s), to the Bank under this Agreement and as and when the Bank issues No dues certificate to that effect.

**25. MISCELLANEOUS**

25.1 Language

English shall be used in all correspondence and communications between the Parties.

25.2 Amendments

No modification or amendment of the terms of this Agreement except to the revision in interest rate as provided under Clause 3D and also alteration or re-schedulement of the Instalments as provided under Clause 4.1 herein and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by the Bank and the Borrower(s).

25.3 Cumulative Rights

All remedies of Bank under this Agreement whether specifically provided herein or conferred by statute, civil law, common law, custom, trade, or usage are cumulative and not alternative and may be enforced successively or concurrently.

25.4 Benefit of the Loan Agreement

The Loan Agreement shall be binding upon and shall inure to the benefit of each party thereto and its successors in title or heirs, administrators, assigns as the case may be.

25.5 The Borrower(s) and Co-Borrower(s)'s liability under this Agreement shall be individual, joint and several.

**26. ACCEPTANCE**

The Borrower(s) and Co-Borrower(s) hereby declare as follows:

26.1 That they have read the entire Agreement including the Material Details given in the Schedule, which have been filled in their presence and they shall be bound by all the conditions including the Material Details.

26.2 That this Agreement and other documents have been explained to them in the language understood by them and they have understood the entire meaning of all the clauses.

26.3 That they agree that this Agreement shall be concluded and become legally binding on the date when the authorized officer of the Bank signs this Agreement.

26.4 That they hereby acknowledge that the entire Agreement contains only standard clauses which are common to all such Borrower(s) and hence agree to be bound by the terms contained herein even if the signature of the Bank's officer is affixed only in the first, last page and in the Schedule(s). However it is agreed and understood that the Borrower(s) and Co-Borrower(s) shall be bound to sign in all the pages.

26.5 That they specifically agree that at the end of the tenure of the Agreement or on closure and six months thereafter, Bank is at liberty to convert this agreement to any other suitable electronic or other forms as may be appropriate as per the prevailing law at that point of time including the Bank's option to destroy the Original Agreement after converting it into an electronic image and preserve the image for the purpose of the reference / verification for production of the same before any Court/Authority including revenue authorities of Central or State government as the case may be. The Borrower(s)/ Co-Borrower(s) as the case may be shall not have any objection and shall not dispute the contents of the electronic image of the Agreement or his/her execution thereof The Borrower(s)/ Co-Borrower(s) shall not demand the production of the original physical form at any time after the period stipulated herein.

The Borrower(s) further agrees and acknowledges the receipt of copy of the Agreement.

**IN WITNESS WHEREOF, THE PARTIES HERETO HAVE SIGNED THIS AGREEMENT IN ACCEPTANCE OF ALL TERMS AND CONDITIONS STATED ABOVE AND IN SCHEDULE TO THE AGREEMENT ON THE DAY, MONTH AND YEAR FIRST HEREIN ABOVE MENTIONED.**

Borrower(s) Name

Signature of Borrower(s)

Co-Borrower(s) Name

Signature of Co-Borrower(s)

Signature of Authorised Signatory

## PEMI & FEES DEDUCTION AUTHORISATION

We here by request you to deduct the PEMI & balance of Processing fees (as may be applicable) payable towards the loan amount availed by us from disbursement of the loan.



Borrower Signature



Co-Borrower Signature

### End use declaration by Borrowers

I/We, \_\_\_\_\_ refer to the application no dated \_\_\_\_\_ submitted by me/us to IndusInd Bank Ltd for availing of a loan against the property situated at \_\_\_\_\_.

The said loan is for the purpose of \_\_\_\_\_

I here by represent, warrant and confirm that the aforesaid purpose is a valid purpose and is not speculative or illegal in any manner.

I/we further agree confirm and undertake that the purpose of use of funds under the loan shall not be changed in any manner during the tenor of loan (or) that change in purpose shall take place only with prior written permission of IndusInd Bank Ltd.

I/we hereby agree and confirm that the income tax benefits for a housing loan under provisions of income tax act, 1961 will not be available to me/us in respect of the loan for the ancillary purpose(s).

I/We agree that any breach or default in complying with all or any of the aforesaid undertaking(s) will constitute an event of default under the loan agreement.

Thanking you,

Borrower (s) Signature

### SCHEDULE TO THE LOAN AGREEMENT

Branch Name: Address:	Place: Date:
1	Place of the execution of this Agreement
2	Date, month and year of the execution of this Agreement
3	<p>The Bank/ Lender</p> <p>M/s. INDUSIND BANK LTD, a Banking company incorporated under the Companies Act, 1956 having license to carry on the business of banking under the Banking Regulations Act, 1949 having its registered office at 2401, General Thimmayya Road, (East Street,) Cantonment, Pune - 411 001 and its Consumer Finance Division at No.34, G.N.Chetty Road, T.Nagar, Chennai - 600 017, and its State Office at .....</p> <p>.....</p> <p>hereinafter referred to as "the Bank" (which expression shall, unless be repugnant to the context or meaning thereof, shall be deemed to mean and include its successors and assigns)</p>
4	<p>(a) Details of the Borrower</p> <p>Mr. / Mrs. / Messers. _____ (PAN.No. _____) an Indian inhabitant / a sole proprietorship / a partnership firm constituted under the Partnership Act, 1932 / a company incorporated under the Companies Act, 1956 / residing at / having its principal office / registered office at .....</p> <p>..... and represented by .....</p> <p>..... (hereinafter called the "1st Borrower") (which expression unless repugnant to the context shall include his/ her heirs, executors, administrators, representatives, successors and assigns / present or future partners of the partnership firm and their and each of their respective heirs, executors administrators, representatives, successors and assigns / his heirs, executors, administrators, representatives, successors and assign / it successors and assigns respectively)</p> <p>Full Name: _____ (As in Sale Deed)</p> <p>Residence Address : _____</p> <p>Tel : _____</p> <p>Email : _____</p> <p>Office Address : _____</p> <p>Tel : _____</p> <p>Email : _____</p>



**Borrower(s)**



**Co-Borrower(s)**

		<p>Mr. / Mrs. / Messers. _____  (PAN.No. _____) an Indian inhabitant / a sole proprietorship / a partnership firm constituted under the Partnership Act, 1932 / a company incorporated under the Companies Act, 1956 / residing at / having its principal office / registered office at.....  ..... and represented by .....  ..... (hereinafter called the "2nd Borrower") (which expression unless repugnant to the context shall include his/ her heirs, executors, administrators, representatives, successors and assigns / present or future partners of the partnership firm and their and each of their respective heirs, executors administrators, representatives, successors and assigns / his heirs, executors, administrators, representatives, successors and assign / it successors and assigns respectively)</p> <p>Full Name: _____ (As in Sale Deed)</p> <p>Residence Address: _____</p> <p>Tel: _____</p> <p>Email: _____</p> <p>Office Address : _____</p> <p>Tel: _____</p> <p>Email: _____</p>
		<p>Mr. / Mrs. / Messers. _____  (PAN.No. _____) an Indian inhabitant / a sole proprietorship / a partnership firm constituted under the Partnership Act, 1932 / a company incorporated under the Companies Act, 1956 / residing at / having its principal office / registered office at.....  ..... and represented by .....  ..... (hereinafter called the "3rd Borrower") (which expression unless repugnant to the context shall include his/ her heirs, executors, administrators, representatives, successors and assigns / present or future partners of the partnership firm and their and each of their respective heirs, executors administrators, representatives, successors and assigns / his heirs, executors, administrators, representatives, successors and assign / it successors and assigns respectively)</p> <p>Full Name: _____ (As in Sale Deed)</p> <p>Residence Address: _____</p> <p>Tel: _____</p> <p>Email: _____</p> <p>Office Address : _____</p> <p>Tel: _____</p> <p>Email: _____</p>

Borrower(s)

Co-Borrower(s)



	(b) Details of the Borrower	<p>Mr. / Mrs. / Messers. _____  (PAN. No. _____) an Indian inhabitant / a sole proprietorship / a partnership firm constituted under the Partnership Act, 1932 / a company incorporated under the Companies Act, 1956 / residing at / having its principal office / registered office ..... and represented by .....  ..... (hereinafter called the "Co-Borrower(s)")</p> <p>Full Name: _____ (As in Sale Deed)</p> <p>Residence Address: _____</p> <p>Tel: _____</p> <p>Email: _____</p> <p>Office Address : _____</p> <p>Tel: _____</p> <p>Email: _____</p>
		<p>Mr. / Mrs. / Messers. _____  (PAN. No. _____) an Indian inhabitant / a sole proprietorship / a partnership firm constituted under the Partnership Act, 1932 / a company incorporated under the Companies Act, 1956 / residing at / having its principal office / registered office ..... and represented by .....  ..... (hereinafter called the "Co-Borrower(s)")</p> <p>Full Name: _____ (As in Sale Deed)</p> <p>Residence Address: _____</p> <p>Tel: _____</p> <p>Email: _____</p> <p>Office Address : _____</p> <p>Tel: _____</p> <p>Email: _____</p>

Borrower(s)

Co-Borrower(s)

		<p>Mr. / Mrs. / Messers. _____  (PAN.No. _____) an Indian inhabitant / a sole proprietorship / a  partnership firm constituted under the Partnership Act, 1932 / a company incorporated  under the Companies Act, 1956 / residing at / having its principal office / registered office  ..... and represented by .....  ..... (hereinafter called the "Co-Borrower(s)")</p> <p>Full Name: _____ (As in Sale Deed)</p> <p>Residence Address: _____</p> <p>Tel: _____</p> <p>Email: _____</p> <p>Office Address : _____</p> <p>Tel: _____</p> <p>Email: _____</p>
	<p>Inclusions in the  definition of the term  Borrower &amp; Co-Borrower</p>	<p>The expressions "Borrower(s)" and Co-borrower(s)" shall unless be repugnant to  the context mean and include their legal heirs, representatives in interest, executors,  administrators and assigns etc.,</p>

Borrower(s)

Co-Borrower(s)

Nature of Facility : _____		
Loan Amount : _____		
Repayment: In case of Cash Credit / Overdraft: Principal amount repayable on demand and renewable yearly. Interest is to be paid on last of each month.		
(i) In case of Term Loan: Repayable in _____ Equated Monthly Instalments (EMI) EMI is inclusive of Principal and monthly interest due.		
(ii) In default of payment of any EMI, entire Principal along with interest shall immediately become due and payable.		
Interest: _____ % above Base Rate with minimum of _____ % p.a. with monthly rest,		
At present Base Rate : _____ % p.a. Effective Rate of Interest : _____ % p.a. with monthly rest Periodicity of Rest : monthly / _____		
Processing Fee:		
Administrative Charges:		
Prepayment Charges:		
Bounce of Cheque charges:		
Swap Charges:		
Guarantee	1st Guarantor	2nd Guarantor
Information	Name :	Name :
	Address :	Address :
	Tel No.:	Tel No.:
In witness whereof the Borrower(s) and the Bank have signed and delivered this Agreement.		
SIGNED AND DELIVERED By    Individual    Sole Proprietary    Partnership    Company		
1)	Name _____ Sign _____	
2)	Name _____ Sign _____	
3)	Name _____ Sign _____	

<b>COMMON SEAL</b>		
Common Seal of _____ _____ Limited is hereunto affixed pursuant to the resolution passed in a duly convened meeting of its Board of Directors held on _____ and in presence of its officials as below who have set their respective hands hereto in witness thereof _____ and in presence of _____		
Name	Designation/Title	Signature

Borrower(s)

Co-Borrower(s)



## Only to be executed if repayment is through IndusInd Bank Account

Date\_\_\_\_\_

The Branch Head,  
IndusInd Bank,

Dear Sir,

### Standing Instruction

Please record the following Standing instructions

Account Number to be deducted : \_\_\_\_\_

Account Name : \_\_\_\_\_

Kindly debit the above account towards my repayment of this said loan as per requirements agreed terms.

Yours Faithfully,

Signature of Account Holder(s).



Borrower(s)



Co-Borrower(s)



# LETTER OF CONTINUITY

To  
The Manager  
IndusInd bank,

Dear sir,

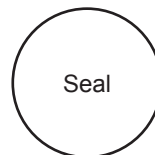
I/ We Mr./ Mrs./ Messrs. \_\_\_\_\_, a company incorporated under the provisions of Companies. Act 1956/ Partnership, Firm registered, with the registrar of Firms/ Sole Proprietorship Firm/ Individual, having its registered office/ place of business/ residence at \_\_\_\_\_, and acting through Mr./ Mrs. \_\_\_\_\_ Who is duly authorized in that behalf vide Board Resolution / Letter of Authority/ Power of Attorney dated \_\_\_\_\_, enclose my/ our Promissory note for Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only ) dated \_\_\_\_\_ payable on demand which is given to you as security for the repayment by me to bank Limited ( Bank ) of any sum now due or which may hereafter be or become due from me/us to the bank in respect of the secured Loan (hereinafter referred to as the "facility") notwithstanding the fact that the Facility may from time to time be reduced or extinguished, the extinguished, the intention being that the security shall be a continuing security at all times for the said facilities obtained by me / us and payable to the bank.

Yours truly,

SIGNATUER OF THE INDIVIDUAL(S) / PROPRIETOR (S)/ PARTNERS/ DIRECTORS



(N.B: In case of Company to affix Common Seal)



Borrower(s)



Co-Borrower(s)





**LETTER OF GENERAL LIEN AND SET OFF**

IndusInd bank,  
 .....Branch,  
 .....  
 .....  
 (Address)

In consideration of your giving me / us banking accommodation and facilities, I/We unconditionally agree as follows:-

- (1) That in addition to general lien or similar right to which you as Bankers, which I/We agree, are entitled by law, you may at any time and without notice to me/us in your absolute discretion combine or consolidate all or any of my/our accounts with any liabilities to you and set off or transfer any sum or sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of my/our liabilities to you any other account or in other respect whether such liabilities be actual or contingent primary or collateral and several or joint.
- (2) That in respect of all such accounts and liabilities aforesaid you shall have a lien on all stock, shares, Securities, property and book debts belonging to me/us now or hereafter held by you for safe custody, collection, or otherwise and all moneys now or hereafter standing to my/our credit with you on any current or any other account and you will have the right to sell, realize all such securities and property as aforesaid for the purpose of realizing your dues.
- (3) The aforesaid rights are available to you notwithstanding any agreement between me/us and you, to the contrary and notwithstanding the fact that a particular security is given to you earmarked for particular loan or account and the same is cleared by me/us by payment.

Place ....., Dated this ..... Day of .....

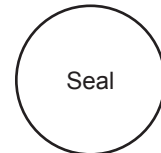
**In case of individual(s)**

✓

**In case of individual**

IN WITNESS WHEREOF the common the seal of the Company has been hereunto affixed the day and year first hereinabove mentioned at .....

The Common Seal of ..... Ltd. Has been affixed )  
 Hereunto pursuant to the Resolution of the Board of )  
 Directors dated .....in the presence of: )  
 1. )  
 2. )  
 the Director/s and /or the ..... who have in token )  
 Thereof, Subscribed their signature hereto. )



**In case of Partnership**

IN WITNESS WHEREOF the Partners of the Firm have set and subscribed their respective hands hereto, the day and year first hereinabove mentioned at..... )

For .....(name of the Prop. Concern) )  
 (Partners) )

**In Case Prop. Concern**

IN WITNESS WHEREOF the said Proprietor has set and subscribed his /her hand hereto, the day and year first hereinabove mentioned at .....

For ..... ) name of the Prop. Concern) )  
 )  
 )  
 )

Proprietor

Borrower(s)

Co-Borrower(s)

