

**Loan Agreement**

THIS AGREEMENT is made at \_\_\_\_\_ this \_\_\_\_\_ day of 20\_\_\_\_ by

Shri / Smt. / Kum. \_\_\_\_\_ son of / wife of / daughter of  
\_\_\_\_\_ residing at  
\_\_\_\_\_

And/Or

Shri / Smt. / Kum. \_\_\_\_\_ son of / wife of / daughter of  
\_\_\_\_\_ residing at  
\_\_\_\_\_

And/ Or

Shri / Smt. / Kum. \_\_\_\_\_ son of / wife of / daughter of  
\_\_\_\_\_ residing at  
\_\_\_\_\_

And/ Or

\_\_\_\_\_ carrying on business in Partnership under the style of  
\_\_\_\_\_ office at \_\_\_\_\_

And/ OR

\_\_\_\_\_, a company registered under the Companies Act, 1956 having its Registered Office at  
\_\_\_\_\_

(Hereinafter referred to as the Borrower/s 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).

... .. OF THE ONE PART.

IN FAVOUR OF

The INDUSIND BANK LTD., a Banking Company registered under the Companies Act 1956 and having its registered Office at 2401, Gen. Thimmayya Road, Cantonment, Pune 411 001, and a branch office at \_\_\_\_\_ hereinafter called THE BANK (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns)

... .. OF THE OTHER PART.

WHEREAS the Borrower/s has/ have requested the Bank to grant /continue to the Borrower/s term loan/cash credit facility of Rs.

\_\_\_\_\_/ - (Rupees \_\_\_\_\_ only) for the purpose of \_\_\_\_\_ which the Bank has agreed to do on the Borrower/s agreeing to repay the said loan /monies becoming due under the Cash Credit/Loan Account with interest and other charges in the manner mentioned in the First Schedule and on the Borrower/s agreeing to comply with the terms and conditions that may be stipulated by the Bank from time to time either in the letter of sanction or otherwise, and upon the Borrower/s agrees to create pledge of the Borrower's gold ornaments / jewelry to secure repayment of the monies becoming due under the said loan/cash credit account with interest to the Bank ..

NOW IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the Loan/Cash Credit facility of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) granted /agreed to be granted by the Bank to the Borrower/s to be made available in one or more instalments according to the needs of the Borrower/s and as the Bank deems fit, the Borrower/s hereby covenant/s with the Bank to repay the said loan/monies becoming due under the loan / cash credit account of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) in such instalments /manner as set out in the Loan Sanction Document. In the event of failure of the Borrower/s to repay the said loan/monies or any portion thereof on its due date, the entire amount then outstanding shall at the option of the Bank become due and payable immediately.
2. The Borrower/s further covenant/s with the Bank to pay interest on the amount due under loan/daily debit balances of the said cash credit account of Rs. \_\_\_\_\_ by the Borrower/s to the Bank from time to time at the rate of \_\_\_\_\_ % as specified in sanction letter along with applicable interest tax with monthly rests to be taken and such interest to be paid on the last day of each month of each year till the entire loan mentioned above and interest thereon / all money due under the said Loan / Cash Credit facility is repaid by the Borrower/s.

The Borrower/s further agree/s that the Bank shall be entitled to change the rate of interest, Penal charges and periodicity of charging interest mentioned herein above at any time by giving notice or publishing it on the notice board and/or on the Web

site and shall thereafter be entitled to charge interest at the changed rate/ periodicity as if the same was provided for in this Agreement.

3. In default of payment of any instalment or monthly interest as stated above, the Bank shall be entitled to demand payment of the entire amount then outstanding in respect of the said loan / cash credit facility, as if the period for repayment has expired and shall also be entitled, on failure to pay the interest at the end of each month to debit the monthly interest to the Borrower's Loan/Cash Credit Account and capitalise the amount of such interest and charge interest thereon as if such amount was an additional loan granted/Cash Credit facility advanced by the Bank to the Borrower/s carrying interest at the same rate in addition to in addition to Penal charges in the form and manner as detailed in the Schedule/Sanction Letter/Key Fact Statements.. "Penal Charges" means the penal charges payable by the Borrower upon breach of the Material Terms and Conditions, as more particularly set out in Schedule / Sanction Letter/Key Fact Statements, and as may be notified by the Bank to the Borrower from time to time or as updated on the Bank's website. "Material Terms and Conditions" means the material terms and conditions of this Agreement , as more particularly set out in Schedule /Sanction Letter/Key Fact Statements.

The Borrower/s further agree/s that the Bank shall be entitled to change the rates and/or periodicity of interest etc. mentioned in clause 2 and 3 hereinabove at any time by giving notice to the Borrower/s and/or notifying on the notice boards of the Bank or in a local newspaper and shall thereafter be entitled to charge interest at the changed rate as if the same was provided for in this agreement.

4. For the consideration aforesaid the Borrower/s shall, as and when called upon by Bank, to pledge and deliver to the Bank the gold ornaments / jewelry that may be hereafter delivered to the Bank pursuant to this Agreement whether for the purpose of forming of security or additional security for any sum already drawn or as security for any sum or sums to be drawn against the said Cash Credit/Loan Account or by way of substitution for and in lieu of any gold ornaments / jewellery which may from time to time have been delivered to the Bank under this agreement or otherwise howsoever (hereinafter called the "gold ornaments / jewellery") are to be deemed to have been so pledged as security to the Bank for the payment by the Borrower/s to the Bank of the monies due to the Bank from time to time under or in respect of the Cash Credit/Loan Account. The expression "the moneys due to the Bank" in this and subsequent clauses of this Agreement shall be taken to include the principal monies from time to time due on the said Cash Credit/Loan Account and also all interest & charges thereon calculated from day to day at the rate hereinbefore mentioned and the amount of all charges and expenses which the Bank may have paid or incurred in any way in connection with the gold ornaments / jewellery or the sale or disposal thereof.
5. That the Borrower/s shall not during the continuance of this Agreement create in favour of third parties a pledge or otherwise charge or encumber any of the gold ornaments / jewellery for the time being the subject or intended to be the subject of this security not to do or permit any act whereby the security herein before expressed to be given to the Bank shall be in any way prejudicially affected.
6. The Borrower hereby confirm and declare that the gold ornaments / jewellery hereby pledged or that may be pledged to the Bank is his / her own property and no other person has any claim, right or interest in the same and that he / she is entitled to pledge the same in favour of the Bank without any hindrance.
7. That all gold ornaments / jewellery already and hereafter delivered as aforesaid shall be insured against fire, theft, riots, civil commotions, floods and such other risks as the Bank may require by the Borrowers in an insurance office of repute approved by the Bank and in the name of the Bank for the full market value or such value as the Bank may think proper, of such gold ornaments / jewellery and that all policies for the receipts for premia paid on such insurances shall be delivered to the Bank, should the Borrowers fail to so insure or fail to deliver the policies or receipts for premia aforesaid, the Bank shall be at liberty to effect such insurances at the expense of Borrower/s and to debit the expenses so incurred to the cash /credit loan account of the Borrower/s and the sums so debited shall be deemed to be an advance by the Bank carrying like interest and secured by the pledge of gold ornaments / jewellery created in favour of the Bank. The Borrower/s also agree to insure the gold ornaments / jewellery for any other risks of called upon by the Bank to do so. That all sums received under any such insurances as aforesaid shall be applied in or towards the liquidation of the balance due to the Bank for the time being and in the event of there being a surplus the same shall be applied as provided herein.
8. That the Borrower/s shall make and furnish to the Bank such statements and certificates from the authorised valuer (as per the empanelled valuers provided by the Bank) of the quality and quantity of the gold ornaments / jewellery and a full description thereof. Further the valuation of the gold ornaments/ jewellery shall be carried out in the Bank premises in the presence of the Borrower and authorized Bank officials. It is agreed that Bank shall determine the lendable value of the Gold Ornaments/jewellery on the basis of quality and quantity certified by the Valuer. The decision of the Bank shall be final and binding upon the Borrower/s
9. Borrower shall maintain in favour of the Bank a margin as stipulated by the Bank from time to time between the market value of gold ornaments determined by the Bank from time to time and the monies due to the Bank for the time being. Such margin shall be calculated on the open market value of the gold ornaments / jewellery as fixed by the Bank from time to time and shall be maintained by the Borrower/s either by the delivery or further security to be approved by the Bank or by cash payment by the Borrower/s immediately or the market value for the time being of the securities becoming less than the aggregate of the balance due to the Bank plus the amount of the margin as calculated above.
10. That the Borrower/s shall be responsible for the quality and quantity of gold ornaments / jewellery to be pledged with the Bank and also for the correctness of the statements and certificates required to be furnished as in the above mentioned clause; and that during the continuance of this agreement the Borrower/s shall be responsible for all loss, shortage, damage or deterioration

of the securities caused by fire, theft, rain, water, heat or any other cause whatsoever and the Bank shall not be responsible for any such loss, damage or deterioration of the securities notwithstanding the fact that Bank has been in possession thereof.

11. The Borrower confirms that Borrower has clear and marketable title to the gold ornaments and/or jewellery deposited with the Bank and no other person has any title or interest in any manner nor it is spurious or of inferior quality as it would have been acquired from genuine sources, is genuine gold ornaments and/or jewellaery, Borrower's is bonafide owner of said Gold Ornaments/Jewellery and no other person has any right, title, interest, claim, lien or charge over the said Gold Ornaments/Jewellery.
12. The Borrower agrees that the Gold ornaments and/or jewellery deposited by the Borrower shall be sealed by the Bank in the presence of the Borrower. However, Borrower hereby agree and authorize Bank to open the seal of packet in which Gold ornaments/jewellery is kept and can conduct investigation, inspection and/or audit of/in connection with the quality, purity, value of gold ornaments/ jewellery in the manner as may deemed fit by Bank (collectively, "Audit") at the Borrowers cost at any time till any dues hereunder remain owed to the Bank without any notice to the Borrower and without presence of the Borrower/s., The Bank may in its absolute discretion, use services of and rely on the advise of any expert or valuer or assayer in this regard and the Borrower hereby waives off any objection they may have in this regard.
13. The findings of the Bank pursuant to its Audit including any specific findings on the quality, purity or value of the gold ornaments and jewellery would be binding on the Borrower and they shall not in any manner dispute the same and the Borrower shall do all such acts as the Bank may require pursuant to such Audit. The Borrower recognizes and agrees that any failure on their part to comply with the directions of the Bank and /or if the gold ornaments and jewellery is found by the Bank to be not genuine or of disputed value, quality or purity, it shall amount to an event of default, entitling the Bank to recall the Loan along with interest and other dues thereon and also entitling the Bank to enforce the pledge on the gold ornaments / jewelry.
14. The Borrower hereby agrees that the Bank may at any time require us to procure a guarantee for the Borrower's obligations towards the Bank under the Loan, and the loan being guaranteed by such guarantor/s as the Bank may require from any person including without limitation by any valuer or assayer.
15. The Borrower agrees that any payments required to be made by them with respect to this Agreement or towards dues including but not limited to the Interest, change /revision/maintenance/enhancement of margin, processing fees, payment of principal in whole or part, shall be made by them through such modes as the Bank may permit including (without limitation) Electronic Clearing System ("ECS"), Standing Instruction ("SI"), by use of/authorizing debit/use of credit cards or debit cards, online payment through the official website of the Bank, mobile platforms, mobile banking and interactive voice response pursuant to calls made by authorized officials of the Bank and subject to such further terms and conditions in this regard as may be communicated to them by the Bank. The Borrower understands and agrees that the Bank shall in no manner be responsible for the consequences of any disclosure on their part of any personal and/or loan details to any unauthorized personnel falsely representing himself/herself as being in any manner connected to the Bank, and all risk in this regard shall lie with the Borrower.
16. Without prejudice to the generally of the aforesaid, as far as ECS/SI modes are concerned the Borrower shall execute such mandate to such bank with which the Borrower shall have an account for the purposes of ECS or execute such mandate with the Bank itself for the purposes of SI as the Bank may require. The Borrower shall get such ECS mandate accepted by such bank in relation to such account. The Borrower shall at all times maintain sufficient balance in such account for the purposes of payment of the Dues and periodic payment of interest. The Borrower confirm that such account, the bank and the form and manner of the said mandate and execution and acceptance thereof shall be as may be required by the Bank and to the complete satisfaction of the Bank. The Borrower agrees and confirms that, incase of ECS, forthwith upon the Bank issuing instructions to the bank to which the ECS mandate is given by the Borrower, the said bank shall transfer a sum equivalent to the dues (as communicated by the Bank) or as the case may be equivalent to the interest amount due from the Borrower (as communicated by the Bank) to the account specified by the Bank in this regard. In case of SI, the Borrower hereby irrevocably authorize the Bank to debit from the Borrowers designated account held by the Borrower with the Bank such sums towards the Dues as the case may be interest (as communicated by the Bank) on the respective date(s). The Borrower agrees that they shall be solely and fully liable and responsible for all risks associated with the aforesaid modes of payment and for ensuring that adequate security measures are taken while using any of the aforesaid modes of payment. The Borrower agrees and acknowledges that the Bank shall not in any way be responsible or liable for the same. The Borrower are aware of all risks related to and security measures required for the aforesaid purpose including from our bankers and service providers. The Borrower agrees that they shall not at any time until the Loan is repaid in full alongwith all dues to the Bank, withdraw, revoke or vary (except with the express consent in writing of the Bank) any such ECS and /or SI mandate/instructions or any other instrument/mode of payment issued by the Borrower as aforesaid.
17. That if the Borrower/s fail to maintain such margin as aforesaid or if the Borrower/s fail or neglect to repay to the Bank on demand the monies then due to the Bank or in the event of the Borrower/s becoming or being adjudicated bankrupt or insolvent or in the event of executing any of arrangement, composition or inspectorship or in the event of any distress or execution being levied or enforced upon against any of the property of the Borrower/s whether the said property shall or shall not be the subject of the security or in the event of any person firm or company taking any steps towards applying for or obtaining an order for the appointment of a receiver of the Borrower's property or any part thereof or if any person , firm or company shall apply for or obtain an order for the winding up of the Borrower/s or if any such resolution be passed whichever may first happen or the right title and/or interest of the Borrower over gold ornaments and/or jewelry found defective, or if any representation made by the Borrower found false or incorrect, then it shall be lawful for the Bank forthwith or at any time thereafter (without prejudice to bank's right of suit against the Borrower/s) either by public auction or private contract aforesaid to sell or otherwise to dispose of all or any of the gold ornaments / jewellery either in lots or separately and to apply the net proceeds of such sale in or towards

the liquidation of the balance then due to the Bank. The Bank shall not be liable for any involuntary loss incurred by such sale and the Borrower/s shall not be entitled to dispute or question the reasonableness of the price or procedure relating to realisation of gold ornaments / jewellery pledged.

18. If at any time the value of the said gold ornaments / jewellery falls so as to create a deficiency in the margin requirement specified by the Bank from time to time or if there is an excess over the loan / cash credit limit, the Borrower shall within seven days of notice from the Bank, deposit with the Bank additional security in the form of cash or such other securities which may be acceptable to the Bank, failing which the Bank may at its discretion sell, dispose off or realize any or all of the said gold ornaments / jewellery without being liable for any loss or damage or diminution in value sustained thereby.
19. The Bank shall be at liberty to apply any other money or monies in the hand of the Bank standing to the credit of or belonging to the Borrower/s or any one or more of them or towards payment of the monies for the time being due to the Bank and in the event of there not being any such money or monies as aforesaid in the hand of the Bank or in the event of such money or monies being still insufficient for the discharge in full of such balance the Borrower/s promise and agree forthwith on production to them of an account to be prepared and signed as hereinafter provided to pay further balance which may appear to be due by the Borrower/s thereon; PROVIDED ALWAYS that nothing therein contained shall be deemed to negative, qualify or otherwise prejudicially affect the right of the Bank (which it is hereby expressly agreed the Bank shall have) to recover from the Borrower/s the balance for the time being remaining due from the Borrower/s to the Bank upon the said cash credit/loan account notwithstanding that all or any of the said security may not have been realised by the Bank.
20. That in the event of there being a surplus available of the net proceeds of such sale after payment in full of the balance due to the Bank it shall be lawful for the Bank to retain and apply the said surplus together with any other money or monies belonging to the Borrower/s or anyone or more of them for the time being in the hand of the Bank in or under whatever account as the same shall extend in or towards payment or liquidation of any and all other monies which shall be or may become due from the Borrower/s or any one or more of them whether solely or jointly with any other person or persons, firm or company to the Bank by way of loans discounted bills, letters of credit, guarantee charges or of any other debts or liabilities including bills, notes, credits, and other obligations current though not then due or payable or other demands legal or equitable which may the Bank may have against the Borrower/s or any one or more of them or which the law of set off or mutual credit would in any case admit and whether Borrower/s or any one or more of them shall become or be adjudicated bankrupt or insolvent or be in liquidation or otherwise and interest thereon from the date on which any and all advances and advances in respect thereof shall have been made at the rate of respective rates at which the same shall have been so advanced.
21. That the Borrower/s agree to accept as conclusive proof as to the correctness of any sums claimed to be due from them to the Bank under this agreement a statement of account made out from the books of the Bank shall be conclusive and binding upon the Borrower without production of any other voucher, document or paper.
22. The Borrowers agree to utilise the cash credit / loan account for the purpose for which it has been sanctioned.
23. That this Agreement is to operate as security for the monies from time to time due to the Bank also for the ultimate balance to become due on the said cash credit/loan account and the said account is to be considered exhausted by reason of the said cash credit being brought to credit at any time or from time to time as long as the facility is continuing and until all monies due hereunder are repaid in full.
24. Provided always that this Agreement is not to prejudice the rights or remedies of the Bank against the Borrower/s irrespective and independent of this Agreement in respect of any other advances made or to be made by the Bank to the Borrower/s.
25. That if the borrower defaults with the bank, under any other agreement or in any other credit facility availed , it shall also amount to an event of default under this agreement , entitling the bank to recall the loan along with interest and other dues thereon and also entailing the bank to enforce the pledge on the gold ornaments / jewellery
26. No change whatsoever in the constitution of the Borrower/s during the continuance of this Agreement shall impair or discharge the liability of the Borrower/s or any one or more of them hereunder.
27. Any demand or notice to be made or given to the Borrower/s may be made or given by leaving the same at or posting the same by post under Certificate of Posting addressed to the Borrowers at their place of business, residence or office or via electronic mode (Email) at the registered email address or via messages at the mobile /cellular phone number registered with the Bank and every such demand or notice shall be deemed to be received as the case may be at the time at which it is left or sent or at the time at which it should have been delivered in the ordinary course of post.
28. The Bank may, in its sole discretion, permit prepayment of the credit facility/loan at the request of Borrower subject to the Borrower paying prepayment charges calculated at the rate of \_\_\_\_\_% of the amount due under the credit facility/loan.
29. The Borrower agrees that the Bank shall be at liberty to transfer the said account from one branch to another branch of the Bank as per the administrative convenience of the Bank. The Bank shall give 7 days prior notice to the Borrower about the intended transfer of the said account. The Borrower hereby agrees and confirms that such transfer of the said account is not to be considered as closed and all the documents, guarantee/s, securities and the charge of the Bank on the pledged gold ornaments / jewellery will continue unaffected until all the amounts remaining unpaid under the said account as transferred to the other branch are repaid in full. The Borrower shall continue to enjoy the credit facility on the same terms and conditions at the transferee branch.

30. The Borrower do hereby agree, undertake, record, declare, admit, assure, promise, acknowledge and confirm to abide by, accept, satisfy, fulfill, carryout, perform and comply fully with all the terms, conditions, requirements, sanctions, provisions and stipulations or any amendments or modification or modifications therein made or to be made by the Bank at any time or from time to time in its discretion concerning any of the facilities, limits or accounts without any reference, notice or intimation by the bank in that behalf.
31. Any stamp duty, penalty, registration charges or deficit therein, if any, payable on this document shall be borne or paid by the borrower/guarantor and not by the Bank.
32. Notwithstanding, the Bank's decision/action/policy, if any, to reverse any debit entry or not to debit interest or not to make any debit entry in bank's books or ledger accounts or in statement of account or any account, for any period whatsoever, the Borrowers/Mortgagers/Guarantors shall be bound and liable to pay jointly or severally to the Bank, the entire outstanding debit balance and compound interest thereon with monthly rests till the date of realization, recovery or collection by the bank of all such amounts. The Bank is further entitled to recover Penal Charges, tax, , liquidated damages, commissions, costs, charges and expenses at such rates as stated in the Schedule/Sanction Letter/Key Fact Statements.
33. The Bank shall be entitled at its discretion to maintain separate accounts in its books in respect of the unpaid installments of principals and / or interest for the purpose of effective control and monitoring of recovery thereof. The Borrower hereby acknowledges that he / she shall be liable to repay such outstanding amounts as due and payable hereunder and shall continue to be secured by the security created hereunder.
34. The Bank may, in its absolute discretion and without any further notice to the Borrower/Guarantor grant/transfer/assign to any person/ Bank/ financial institution, for any person whatsoever, any of its rights under this agreement and other documents executed by the Borrower and/or the Guarantor/s and of the terms attached thereto, including the right to receive the balance under loan/cash credit facility and in particular may grant/ transfer/ assign such rights by way of charge or as a security and any person to whom such rights are granted/transferred/assigned shall be entitled to the full benefit of such rights. This agreement shall be binding upon the Borrower/Guarantor and shall ensure for the benefit of the Bank and its successors in title and assigns.
35. The Borrowers/Guarantors agree as a pre-condition of the loan given to the Borrowers by the Bank that in case the Borrowers commits default in the repayment of the loan or in the repayment of interest thereon or any of the agreed instalment of the loan on due date(s), the Bank and/or the Reserve Bank of India or any Regulatory authority will have an unqualified right to disclose or publish the name of the Borrowers/Guarantor and its directors/partners/proprietor as defaulter in such manner and through such medium as the Bank or Reserve Bank of India or any Regulatory authority in their absolute discretion may think fit.
36. The Borrower/Guarantor 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 Reserve Bank of India and / or any other Agency/ Authority such as Credit Information Bureau (India) Ltd. appointed/ designated by Reserve Bank of India or any regulatory authority. The Bank, without any further notice or intimation, can disclose and supply any information to the Reserve Bank of India and / or any Agency/Authority appointed by Reserve Bank of India or any regulatory authority. The Borrower/ Guarantor, further agree that Reserve Bank of India 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, Reserve Bank of India, Other Banks, and/or Financial Institutions for any reasons whatsoever, for Credit Discipline in Banking Industry in India. The Borrower/Guarantor expressly waive their right and discharge the Bank and/or Reserve Bank of India and/or any other Authority appointed by Reserve Bank of India or any regulatory authority from any liability for disclosure and/or use of such information on account of breach of any secrecy clause.

37. **Classification of Accounts as Special Mention Account (SMA) and Non-Performing Asset (NPA)**

- (a) Upon the occurrence of any payment default under the Facilities, the Bank shall classify Borrower's Accounts in accordance with the prevailing Reserve Bank of India norms and guidelines.
- (b) As per the current prevailing guidelines of Reserve Bank of India, accounts are classified as Special Mention Account (SMA) on the following basis:
- A.

Loans other than revolving facilities		Loans in the nature of revolving facilities like cash credit/overdraft	
Categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue	Categories	Basis for classification – Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of:
SMA-0	Upto 30 days		
SMA-1	More than 30 days and upto 60 days	SMA-1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days	SMA-2	More than 60 days and upto 90 days

- (c) Further, a Loan account is classified as Non-Performing Asset (NPA) where:
- (i) interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term Loan;
- (ii) the outstanding balance remains continuously in excess of the sanctioned limit/drawing power for 90 days in respect of an overdraft/cash credit.
- (d) It is clarified that the Bank shall flag the Accounts as overdue as part of its day-end processes for the Due Date, irrespective of the time of running such processes. Similarly, classification of Accounts as SMA as well as NPA shall be done as part of day-end process for the relevant date and the SMA or NPA classification date shall be the calendar date

for which the day end process is run. In other words, the date of SMA/NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

B. Example: If due date of a Loan account is March 31, 2022, and full dues are not received before the Bank runs the day-end process for this date, the date of overdue shall be March 31, 2022. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30, 2022 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2022. Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 30, 2022 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2022.

38. This Agreement shall be construed and governed in accordance with the laws of India. The Borrower does hereby irrevocably submit itself to the non-exclusive jurisdiction of the courts situated at the place where the facility is availed by the Borrower. The Bank may, however, in its absolute discretion commence any legal action or proceedings arising out of this Agreement in any other court, tribunal or other appropriate forum and the Borrower hereby consents to that jurisdiction.

39. APPROPRIATION OF PAYMENTS

Notwithstanding the provisions of the Contract Act, 1872 or any other law or any terms and conditions or any directions of the Borrower to the contrary, the Bank and the Borrower agree that the Bank shall have right to appropriate the monies received from the Borrower or any other Person on their behalf, in the following manner:

- a) Firstly, towards costs, charges including prepayment charges and other expenses and other monies due and payable or becoming due and payable to the Bank;
- b) Secondly towards Interest, fee or commission due but unpaid to the Bank;
- c) Thirdly, towards the principal monies;
- d) Fourthly, towards Penal Charges and taxes (if any) applicable with respect thereto; and
- e) Lastly, towards payment of any other sum due but unpaid under this Agreement or any other Facility Document.

[In case of Loan to be repaid in non-equated installment:

In the event of the security being realized however and in whatsoever manner, the realization thereof shall be applied in the following manner:

- a) firstly, towards Interest, fee or commission due but unpaid to the Bank; and
- b) secondly, towards the principal monies;
- c) thirdly, towards charges including Penal Charges and taxes (if any) applicable with respect thereto;
- d) Fourthly towards accrued charges (on cash basis);
- e) thereafter the balance, if any, shall be available for, and be appropriated to the remaining outstanding indebtedness of the Borrower on any account to the Bank in accordance with the total amount of such other outstanding indebtedness.]\*\*\*\*

Or

In case of Loan to be repaid in equated instalment:

In the event of the security being realized however and in whatsoever manner, the realization thereof shall be applied in the following manner:

- f) firstly, towards the principal monies payable to the Bank;
- g) secondly, towards Interest, fee or commission due but unpaid to the Bank;
- h) thirdly, towards charges, Penal Charges and taxes (if any) applicable with respect thereto; and
- i) fourthly, charges accrued on cash basis due but unpaid to the Bank; and
- j) thereafter the balance, if any, shall be available for, and be appropriated to the remaining outstanding indebtedness of the Borrower on any account to the Bank in accordance with the total amount of such other outstanding indebtedness] \*\*\*\*

\*\*\*\* - to be retained, as may be applicable based on the repayment terms of the Loan.

40.

Communication in Electronic form

It is hereby agreed by and between the Lender and the Borrower that any request, notice, correspondence or any other writing whatsoever (Writing) required or contemplated under this Agreement may be executed and any delivery, offer, acceptance or any other action whatsoever (Action) in respect of this Agreement may be undertaken in electronic form by way of a click wrap/SMS / WhatsApp / post / Email / in-app based or any other electronic means of executing or authenticating transactions (Electronic Form) as and when as per Applicable Law. The Borrower hereby authorizes the bank for any type of aforesaid correspondences in Electronic Form.

For avoidance of doubt, it is clarified that communications in Electronic Form include any Writing or Action undertaken on any technology platform, mobile application or website provided by the bank. Each Party agrees to provide instructions on a mobile application or a website or in accessing or making any transaction as per Applicable Law. Each Party agrees that the use of a key pad, mouse or other device to select an item, button, icon or similar act/action, or to otherwise provide instructions on a mobile application or a website or in accessing or making any transaction regarding this Agreement constitutes a signature, acceptance and agreement as if actually signed in writing.

Each Party confirms that any Writing or Action made or undertaken by the Parties in Electronic Form shall be valid, binding and legally enforceable against such Party and the borrower hereby consents to the same and shall not raise any objection or claim or disclaim any liability under or in relation to the validity or enforceability of a Writing or Action solely on account of it being in Electronic Form.

IN WITNESS WHEREOF the Borrowers have executed these presents on the day, month and year first hereinabove written.

SIGNED AND DELIVERED BY

Shri/Smt. \_\_\_\_\_

Shri/Smt. \_\_\_\_\_

Shri/Smt. \_\_\_\_\_

\_\_\_\_\_ the  
Borrower within named.

Or

\_\_\_\_\_ Public/Private Limited.

The common Seal of \_\_\_\_\_ Public/Private Limited within named was affixed hereunto in the presence of

Shri \_\_\_\_\_ and

Shri \_\_\_\_\_

Directors / Managing Committee members of the Company in pursuance of the Board /Managing Committee Resolution dated \_\_\_\_\_ and the Directors have signed below the Seal to show that the Seal was affixed in their presence.