SBM bank

# MASTER FACILITY AGREEMENT (LAP)

# MASTER FACILITY AGREEMENT

**THIS MASTER FACILITY AGREEMENT** (the **"Agreement"**) is made on the date as mentioned in the Schedule 1 at the place as mentioned in the Schedule 1 hereto, between,

**SBM Bank (India) Limited,** a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at 101, 1st Floor, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai – 400 021 (hereinafter referred as **"Bank"**, which expression shall include their successors, transferees, novatees and assigns) of the First Part:

AND

The Borrower details whereof are more particularly given in the Schedule 1 appended to this Agreement and, wherever the context so requires, includes a Co-Borrower(s) named in Schedule 1 and hereinafter individually or collectively (if there is more than one Borrower(s)) referred to as the **"Borrower(s)"**, which expression shall unless repugnant to the context or meaning thereof include its successors and assigns and all persons deriving/ claiming title thereunder) of the Other Part.

(The Borrower and the Bank are hereinafter collectively referred to as **"Parties"** and individually as **"Party"**).

**Whereas:**

At the Borrower's request, the Bank agrees to grant to the Borrower, various credit facilities as set out in the Sanction Letter (as mentioned in the Schedule 1 hereto) of the Bank as may be varied, supplemented, modified, renewed, rolled over or extended from time to time (the **"Sanction Letter(s)"**, which term shall also include all other future and subsequent sanction letters as may be issued by the Bank or any other communication sent by the Bank to the Borrower from time to time), subject to the terms and conditions set out herein and in the Sanction Letter and the special conditions provided in the Annexures attached to this Agreement executed/to be executed in favour of the Bank and/or entered / to be entered into between the Borrower and the Bank for Loan (as defined hereinafter).

**IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER: DEFINITIONS AND INTERPRETATION**

**1.1. Definitions**

Wherever used in this Agreement or Schedule or Annexures hereto, unless the context otherwise requires, the following terms shall have the following meanings:

(a) **"Applicable Rate of Interest"** means the Fixed Rate of Interest or the Floating Rate of Interest or Fixed cum Floating Rate of Interest applicable to the Loan and as stated in the Schedule 1 hereto;

(b) **"Applicable Law"** shall include all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, byelaws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government and, if applicable, international treaties and regulations;

(c) **"Availability Period"** shall have the meaning ascribed to the term in Clause 3.2 (ii);

(d) **"Bank EBLR"** means the external benchmark lending rate which is a tenure linked benchmark derived at as per the policy of the Bank and which may be reset on the 1st day of each quarter or on the reset dates and the reset time as decided by Bank from time to time based on prevailing market conditions and guidelines of any statutory authority and/or as per the internal policy of Bank and any change in Bank EBLR shall be notified by Bank through its website or account statements or its branches or such other medium as Bank may consider appropriate and as specified in the Schedule 1. **The actual lending rate shall be determined by adding the components of spread to the Bank EBLR (of appropriate tenure);**

(e) **"Business Day"** shall mean any day on which the banks in the place where the head office and/or Branch office of the Bank as mentioned in the Schedule 1 is located (and, if payment in a currency other than Indian rupee is involved, in the principal financial centre for that currency) are open for business, excluding Saturday, Sunday and Public Holidays under Negotiable Instruments Act, 1881;

(f) **"Disbursement"** or **"Utilization"** of Loan under this Agreement shall mean any payment of the Loan, or any part thereof, made by Bank in terms of this Agreement.

(g) **"Designated Representative"** means the authorized representative of the Borrower as informed to Bank in writing;

(h) **"Drawdown Notice"** shall have the meaning ascribed to the term in Clause 3.2;

(i) **"Event of Default"** means any of the events described or referred to in Clause 18(Event of Default) of this Agreement;

(j) **"Fixed Rate of Interest"** means the specific rate of interest applicable on the Loan and the Outstanding Amount for the specific tenure of the Loan.

(k) **"Floating Rate of Interest"** means the rate of interest applicable on the Loan calculated at Bank EBLR plus spread;

(l) **"Fixed cum Floating Rate of Interest"** shall mean the rate of interest applicable on the Loan where the Borrower shall be liable to pay Fixed Rate of Interest for initial period and after initial period at Floating Rate of Interest on the Loan Amount and Outstanding Amount as per Schedule 1 to the Agreement;

(m) **"Guarantor"** means and includes any person who has agreed or extended the guarantee for the repayment of the Loan provided to the Borrower by Bank pursuant to this Agreement;

(n) **"Government"** or **"Government Authority"** includes the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the Government of India and/or Government of any State in India, any government authority, statutory authority, government department, quasi-judicial agency, quasi-judicial commission, quasi-judicial board, quasijudicial tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof, any local or other authority exercising powers conferred by Law, and shall include, without limitation, the RBI;

(o) **"IBC"** shall mean Insolvency and Bankruptcy Code, 2016 along with applicable rules and regulations, as amended from time to time;

(p) "**Large Defaulter**" means a defaulter with an outstanding amount of ₹1 crore and above, and - (i) where suit has been filed; or (ii) whose account has been classified as doubtful or loss (in accordance with the instructions issued by the Reserve Bank from time to time).

(q) **"Information Utilities"** shall mean an information collection body to be constituted under the provisions of IBC;

(r) **"Loan"** shall mean the credit facility and accommodation in its widest sense (including such facilities as from time to time amended, modified, extended, renewed, rolled over or supplemented) granted/to be granted by the Bank from time to time within the Maximum Limit and shall be as more specifically stated in Schedule 1 hereto;

(s) **"Loan Account"** means the account maintained by Bank in relation to the Loan which records the balance/amount owed by the Borrower;

(t) **"Loan Amount"** means the amount Bank agrees to provide under the Agreement, and as stated in the Schedule 1;

(u) **"Loan Application"** means the application form duly filled, signed and submitted by the Borrower, together with all related forms, documents and consents for the purpose of availing the Loan from the Bank, in the form and manner satisfactory to the Bank;

(v) **"Loan Documents"** shall mean and include this Agreement, the Sanction Letter, the facility agreements entered/to be entered into between the Borrower and the Bank in relation to the Loan and all other instruments, agreements, documents, deeds, undertakings, declarations, indemnities, and writings including without limitation the security documents (whether executed by the Borrower or any third Party) under/in relation to the Loan;

(w) "**Material Terms and Conditions**" shall mean the material terms and conditions of the Loan Documents, as more particularly set out in Schedule 2 hereunder.

(x) **"Maximum Limit"** shall mean the maximum limit of Loan sanctioned or granted by the Bank from time to time pursuant to the Sanction Letter;

(y) **"Other Charges"** means & includes Commitment Charges, insurance premium, levies, cheque bouncing charges, incidental and other charges/fees and other administrative expenses, any Tax levied by/payable to any Governmental Authority & other dues debited to the Loan Account or payable by the Borrower from time to time. It shall also include the expenses incurred by Bank in recovering its dues, besides any out of pocket expenses;

(z) **"Outstanding Amount"** means and includes the Loan Amount outstanding in the Loan Account, as also Interest, Penal Charges, Prepayment Charges, if any, PEMII, EMI and/or Other Charges, etc., as applicable, due thereon;

(aa) **"Penal Charges"** shall mean the penal charges payable by the Borrower upon breach/non-compliance of the Material Terms and Conditions, as more particularly set out in **Schedule 2** hereunder, and/or as may be notified by the Bank to the Borrower from time to time or as updated on the Bank's website.

(bb) **"Person"** shall include any individual, company, corporation, firm, partnership, limited liability partnership, Hindu undivided family (HUF), joint venture, association, organization, trust, state or agency of a state (in each case, whether or not having separate legal personality);

(cc) **"Potential Event of Default"** shall have the meaning ascribed to the term in Clause 14.1.2;

(dd) **"Pre Equated Monthly Instalment Interest"** or "PEMII" means, in cases where the Loan is availed for the purchase of under construction properties, the interest is levied on the Disbursed or Utilized Loan Amount calculated from the date/respective dates of Disbursement to the last date of the month immediately prior to the month of commencement of the first EMI; such PEMII shall be subject to be rounded off to the next rupee;

(ee) **"Prepayment"** means premature Repayment (partial or full) of the Loan as per the terms and conditions laid down by Bank in this regard and in force at the time of Prepayment;

(ff) **"Prepayment Charges"** shall have the meaning ascribed to the term in Clause 10.1 hereunder;

(gg) **"Property"** includes a plot of land, residential house, flat/apartment (the entire built-up area and any additions thereto, the proportionate share in the common areas/easement/privileges/development rights/benefits/ fixture and fitting/building and structure, present and future, all tangible and/or intangible properties, all accretions, additions, accessories, fixture and fitting, buildings, structures, constructed/erected in such building/on such plot in which such flat/unit is/will be situated and the proportionate undivided share in the land on which the said building is situated or is being/will be built), or any other residential/non-residential/ commercial/ any other immovable property to be charged with the Bank or against the security of which the Loan is granted by the Bank in terms of this Agreement or any other dwelling unit of any size and type with appurtenances thereto having an independent access, as described in the Schedule 1;

(hh) **"Purpose"** shall have the meaning ascribed to the term in the relevant Annexure attached to the Schedule 1 hereto.

(ii) **"Repayment"** means the repayment of the Loan, together with Interest and Penal Charges thereon, as applicable, and/or any Other Charges or dues payable in terms of this Agreement to Bank and the term **"Repayment Amounts"** shall be construed accordingly, and shall mean in particular the amortization provided for in the Schedule 1 to this Agreement and the term **"Repayment Schedule"** shall be construed accordingly;

(jj) **"Small Place"** means the places which are governed by Municipalities, Statutory Bodies or local authorities other than Municipal Corporations;

(kk) **"Security"** means the security to be provided by the Borrower and/ or any third party as mentioned in the Schedule 1 hereto to secure Borrower's obligations under/in relation to the Loan;

(ll) **"Security Cover"** means the security cover as mentioned in the Schedule 1 of this Agreement;

(mm) **"Security Interest"** means any security for the payment of monies or performance of obligations under this Agreement, including a mortgage, charge, pledge, hypothecation, lien or guarantee and/or indemnity;

(nn) **"Security Provider"** means each Person who provides Security;

(oo) **"Schedule of Charges"** means the Schedule of fees, rates and Other Charges applicable for availing services after sanction/disbursement of Loan and same is subject to alteration from time to time as decided by Bank as per its internal policy and any such alteration shall be notified by Bank through its website or its branches or such other medium as Bank may consider appropriate;

(pp) **"Tax"** or **"Taxation"** shall mean income tax, service tax, sales tax, customs and excise, value added tax and all other forms of direct and indirect tax levied and/or to be levied by a Government Authority (including without limitations, obligations to withhold tax/deduct tax at source), together with any interest, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in India;

(qq) "**Wilful Default**"

(i) by a Borrower shall be deemed to have occurred when the Borrower defaults in meeting payment/ repayment obligations to the Bank and any one or more of the following features are noticed:

(A) the Borrower has the capacity to honour the said obligations;

(B) the Borrower has diverted the funds availed under the credit facility from the Bank;
(C) the Borrower has siphoned off the funds availed under the credit facility from the Bank;

(D) the Borrower has disposed of immovable or movable assets provided for the purpose of securing the credit facility without the approval of the Bank;

(E) The Borrower or the promoter has failed in its commitment to the Bank to infuse equity despite having the ability to infuse the equity, although the Bank has provided loans or certain concessions to the Borrower based on this commitment and other covenants and conditions.

(ii) by a guarantor shall be deemed to have occurred if the Guarantor does not honour the guarantee when invoked by the Bank, despite having sufficient means to make payment of the dues or has disposed of immovable or movable assets provided for the purpose of securing the credit facility, without the approval of the Bank or has failed in commitment to the Bank to infuse equity despite having the ability to infuse the equity, although the Bank has provided loans or certain concessions to the Borrower based on this commitment.

(rr) "**Wilful Defaulter**" means

(i) Borrower or a Guarantor who has committed Wilful Default and the outstanding amount is ₹25 lakh and above, or as may be notified by Reserve Bank of India from time to time, and

(ii) Where the borrower or a guarantor committing the wilful default is a company, its promoters and the director (s), subject to the provisions of Paragraph 5(14), or

(iii) in case of an entity (other than a company), persons who are in charge and responsible for the management of the affairs of the entity.

**1.2. Interpretation**

In this Agreement:

(a) Words denoting the singular shall include the plural and vice versa;

(b) Unless the context otherwise requires references to clauses or schedules are to clauses or schedules of this Agreement;

(c) Headings are inserted for convenience only and shall be ignored in construing this Agreement and/ or Loan Documents executed/ to be executed by the Borrower;

(d) Reference to any statute or statutory provision includes a reference to that statute or statutory provision as amended, extended or re-enacted or consolidated (from time to time) and all statutory instruments or orders (including delegated legislation whether by way of rules, notifications, bye-laws and guidelines);

(e) References to this Agreement or any other document shall be construed as references to this Agreement or that other document as amended, varied, supplemented or replaced from time to time;

(f) The words "including" and "inter alia" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not those words are followed by such phrases or words of like import;

(g) Any determination with respect to the 'materiality' of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise shall be made by the Bank at their sole discretion;

(h) The recitals, schedules and annexures, as the same may be amended from time to time shall form an integral part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include any recitals, schedules and annexures to it;

(i) Unless otherwise specified, any reference to a time of day is to Indian Standard Time or IST;

**2. THE FACILITIES**

The Bank agrees to make available to the Borrower, and the Borrower agrees to avail of the Loan more particularly set out in Schedule 1 hereto on the terms and conditions as mentioned in this Agreement, the Sanction Letter and if any in the Schedules and the relevant Annexures hereto.

**3. DISBURSEMENT / UTILISATION**

3.1. The Disbursement under the Loan shall be made in the manner as more specifically covered in the relevant Annexure hereto. The Borrower may, subject to Clause 3.3, utilise any of the Loan by delivering to the Bank at its designated branch **("Designated Branch")** as mentioned in the Schedule 1 hereto a duly completed draw down notice at least 3 (three) days prior to the date of drawdown of the Loan **("Drawdown Notice")** specifying the following:

(i) The amount to be disbursed by the Bank;
(ii) The proposed date of utilisation (which shall be a Business Day and within the availability period as mentioned in the Schedule 1 **("Availability Period");**

(iii) the person to whom the amount shall be disbursed along with the account details of such person.

3.2. Any Drawdown Notice made as aforesaid by the Borrower shall form an integral part of this Agreement. The Borrower may not be entitled to deliver more than the maximum number of Drawdown Notices if stipulated by the Bank. Any Disbursement made shall be subject to the minimum Disbursement amount as specified by Bank at its sole discretion. Each Drawdown Notice shall be irrevocable.

3.3. If the Drawdown Notice is duly completed, the Bank may at its sole and absolute discretion disburse to the Borrower the amount set out in the Drawdown Notice and on the terms set out there in unless otherwise communicated by the Bank. However, the Bank shall be under no obligation to disburse the Loan and the Borrower agrees that all Disbursements are at the sole discretion of the Bank. The Borrower further agrees and understands that approval of the Loan of the Borrower by the Bank, does not necessarily entitle the Borrower to avail Disbursement of the amount so requested for. The Borrower further agrees that the availment of initial Disbursement amount does not create any entitlement to receive subsequent Disbursement. The amounts once utilized by the Borrower when aggregated with the outstanding principal amount shall not exceed the Maximum Limit sanctioned under the Loan. The Bank shall be entitled, at its sole discretion, to pre-pone or postpone any Disbursement, either at the request of the Borrower, or otherwise.

3.4. All disbursements shall be made by way of cheque crossed as "A/c payee only" or any other mode i.e. RTGS, NEFT, direct transfer etc., at sole discretion of Bank. Disbursements shall be deemed to have been made to the Borrower on the date of cheque or pay order as the case may be. Where the Loan is disbursed through RTGS, the date of the Loan shall be deemed disbursed on the date of RTGS. Interest on the Loan will begin to accrue in favour of Bank from the date of RTGS or the date of cheque or pay order, irrespective of the time taken in transit/collection/realization of the cheque by the Borrower or the payee of such cheque.

3.5. All Disbursement shall be received by, and duly acknowledged by the Borrower or the Designated Representative for and on behalf of the Borrower or any other Person as authorized by the Borrower in

writing. The Borrower hereby confirms that such authorised Person will be fully authorized to accept the Disbursement for and on behalf of the Borrower.

3.6. In the event Bank incurs any cost or fee for disbursing the Loan, the said cost and/or fee shall be payable by the Borrower. The Bank may deduct such cost / fee from the Loan amount before disbursing the Loan to the Borrower and the Borrower shall be liable to pay the entire amount of Loan not with standing such deduction of the cost / fee.

**4. CANCELLATION**

4.1. Notwithstanding anything to the contrary contained herein, the Bank may by notice to the Borrower in writing, cancel further the undrawn Loan if the Loan has not been drawn fully within the Availability Period as mentioned in the Schedule 1 hereto. Further, the Bank shall have the right to cancel all undrawn amount(s) of any or the entire Loan upon the occurrence of an Event of Default. As a consequence of such cancellation, the Bank may alter the Repayment Schedule.

4.2. Without prejudice to the Bank's right to cancel and terminate any or the entire Loan, the Borrower shall be liable to pay commitment charges **("Commitment Charges")** at the rates specified in the Sanction Letter for non-availment of the particular Loan within the Availability Period.

5. **INTEREST**

5.1. The Borrower shall pay Interest or commission (as applicable) to the Bank on the aforesaid Loan (advanced and outstanding) from time to time at the Applicable Rate of Interest calculated in accordance with the relevant annexures hereto. Such interest shall be paid with monthly rates on the last date of each month in each year.

PROVIDED that the Bank shall, with prior intimation to the Borrower, at any time or from time to time be entitled to revise the Applicable Rate of Interest upwards or downwards having regard to applicable regulations / market conditions. In case of Floating Rate of Interest and Fixed Cum Floating Rate of Interest, the Applicable Rate of Interest shall change as per the change in the Bank EBLR. The Borrower shall be deemed to have notice of such change whenever the same is announced / notified / displayed by the Bank on its website/Branch or otherwise. The change in the Applicable Rate of Interest on account of the aforesaid shall become effective from the date as may be communicated by the Bank and this Agreement shall be construed as if such revised applicable rate of interest has been always mentioned herein and agreed to be paid by the Borrower and hereby secured. If the Borrower is not agreeable to the revised rate by the Bank then within 15 (fifteen) Business Days of receipt of the notice from the Bank intimating the change, the Borrower shall request the Bank to terminate the Loan and shall repay the Loan together with interest, cost and such other amounts as may be due to the Bank in full in accordance with the provisions of this Agreement relating to Prepayment.

5.2. Interest on the Loan shall begin to accrue from the date of Disbursement without the Bank concerning itself with the receipt of such Disbursement by the Designated Representative. The interest on the Loan shall be payable monthly on the due date of EMI as per the Repayment Schedule on the basis of 365 days in a year or 366 days in a year, in case of a leap year and shall be calculated on the actual amount outstanding on the last day of the preceding period of one month.

5.3. To the extent applicable, interest from the date of Disbursement till the commencement of the EMI shall be payable every month in the form of PEMII stipulated in the Schedule 1.

5.4. Further, the Borrower agrees, undertakes and covenants with Bank, to reimburse or pay to Bank, such amount as may have been paid or become payable by Bank, to any Government Authority, on account of any Tax and/or Other Charges levied on Interest paid by the Borrower by any Government Authority. The reimbursement or payment shall be made by the Borrower as and when called upon to do so by Bank or by such Government Authority.

**6. PENAL CHARGES:**

Without prejudice to generality of the foregoing the Bank shall also be entitled to charge and the Borrower shall be liable to pay such Penal Charges for any breach/non-compliance of Material Terms and Conditions and for such period as the irregularity or breach continues or for such time as the Bank may decide it necessary.

Provided that the charging and the payment of Penal Charges shall be without prejudice to the other rights or remedies of the Bank either hereunder or Loan Documents or otherwise or by law to proceed for such irregularity or breach against the Borrower and/ or the Security hereby created.

## 7. REPAYMENT

7.1. The Borrower hereby undertakes to repay the Outstanding Amount along with Interest and/or Other Charges in EMI on the terms and conditions mentioned herein and in the manner as stated in the Repayment Schedule subject to however, that in the event of any delay or advancement of Disbursement for any reasons whatsoever, Bank shall have the discretion to re-fix the EMI and alter the Repayment Schedule. The Repayment Amounts / EMI shall be rounded off to the nearest Rupee.

7.2. The Borrower hereby agrees, confirms and undertakes that the payment of Outstanding Amount shall be made either by account payee cheque/demand draft drawn in favour of Bank or by debit to the Borrower's designated account or RTGS/NEFT/ECS/NACH and/or any other mode as may be specified by Bank at its sole discretion. The Borrower shall issue necessary irrevocable instructions for the purposes of making Repayments herein.

7.3 In case the payments are made by way of post-dated cheques or any other repayment instruments acceptable to the Bank **("Repayment Instruments")**, the Borrower undertakes to replenish such Repayment Instruments, if the Repayment Instruments are, at any time, not sufficient to make repayments as per the Repayment Schedule or due to any upward or downward revision to the Rate of Interest in accordance with this Agreement.

7.4 The Borrower agrees that the Borrower shall be liable to pay any increased costs resulting from the application of any law or regulation at any time applicable in connection with such Loan and Other Charges as per the terms of the Loan Documents, service taxes or other liabilities of the Borrower met by the Bank. Notwithstanding the Repayment of the Loan Amount and Interest in instalments and Other Charges in the manner as stipulated herein, the Borrower shall remain liable to pay all Outstanding Amount after adjustment of all the monies received in accordance with the Repayment Schedule.

7.5 Notwithstanding anything contained herein, Bank shall have the right at any time or from time to time to review and reschedule the Repayment terms of the Loan Amount or of the Outstanding Amount thereof. However, Bank shall inform the Borrower regarding such rescheduling of the Repayment terms of the Loan Amount.

7.6. All Repayments to the Bank in respect of any obligation or liability owed by the Borrower whether in respect of principal, interest, fees, costs, charges, expenses or any other item, shall be made in full without any deduction or withholding (whether in respect of set off, counterclaim, duties, taxes, charges or otherwise whatsoever) unless the deduction or withholding is required by law, in which event the Borrower shall pay to the relevant taxation or other authorities within the period for payment permitted by Applicable Law the full amount of the deduction or withholding. In case of indirect taxes, forthwith pay to the Bank such additional amount so that the net amount received by the Bank will equal the full amount which would have been received by it had no such deduction or withholding been made. Further, all sums payable to the Bank are exclusive of any goods and services tax or other value added tax (whether imposed in Mumbai or any other country).

7.7. No notice, reminder or intimation shall be given to the Borrower regarding his/her/their obligation(s) to pay the Repayment Amounts regularly on the due date. It shall be entirely the responsibility of the Borrower to ensure prompt and regular payment of Repayment Amounts.

7.8. It is hereby clarified that if any payment would otherwise be due on a day which is not a Business Day, it shall be due on the day preceding the Business Day.

## 8. PREPAYMENT

8.1. Bank may, in its sole and absolute discretion and on payment of the charges applicable on Prepayment as stipulated in the Sanction Letter or as per the Schedule of Charges or updated on website of Bank time to time for information to public at large **("Prepayment Charges")**, until varied by Bank at a later stage at its sole discretion, permit acceleration of Repayment Amounts at the request of the Borrower.

8.2. The Borrower shall give a written notice of at least thirty (30) days expressing his intention to prepay the Loan. The Prepayment shall have effect only after Bank has received the entire Loan Amount, Outstanding Amounts and Other Charges including the Prepayment Charges.

## 9. PAYMENT OF SWITCHING OVER CHARGES OR OTHER SUCH CHARGES

In the event that the Bank is offering revised Applicable Rate of Interest in future, the Borrower shall have option for the revised Applicable Rate of Interest in respect of the Loan, provided if such option is made available by the Bank, at its sole discretion, to the Borrower, with prospective effect subject to payment of applicable switching over charge and other charges as levied by Bank and on execution of documents, if any, as may be prescribed by Bank in that behalf. Further it shall be the responsibility of the Borrower to keep himself informed about the revision in Applicable Rate of Interest as applicable from time to time.

## 10. APPROPRIATION OF PAYMENTS

10.1. Unless otherwise agreed to by Bank, any payment due and payable under this Agreement and made by the Borrower will be appropriated towards such dues in the order, namely:

10.1.1 Costs, charges, expenses, incidental charges and other moneys that may have been expended by Bank in connection with the recovery of the Outstanding Amount;
10.1.2 Penal Charges;
10.1.3 Prepayment Charge, if any and fees;
10.1.4 PEMII (applicable only in cases of Loan availed for the purchase of under construction properties);
10.1.5 EMI;
10.1.6 Principal amount of the Loan; and
10.1.7 Any excess payment received from the Borrower under an agreement entered into with Bank in relation to Loan availed by the Borrower as per respective agreement.

Notwithstanding anything contained in this Clause, Bank may, at its absolute discretion appropriate any payment in any manner towards its dues, payable by the Borrower under this Agreement.

10.2. The Bank shall also be entitled to apply any amounts received in relation to the Security including but not limited to the enforcement of Security, insurance proceeds, any amounts received as compensation by the Borrower from any governmental authority or other person towards acquisition or otherwise, towards amounts payable under the Agreement without affecting the Borrower's outstanding obligations under the Agreement. This shall be without prejudice to the obligation of the Borrower to repay any balance Outstanding Amounts on the Loan.

## 11. OTHER CONDITIONS

11.1. The Borrower further agrees, undertakes and confirms to the Bank that:

(a) It shall abide, in all material respects, by all terms and conditions as specified in Sanction Letter including without limitation special conditions mentioned in the relevant Annexure, which shall form an integral part of this Agreement as if incorporated herein;
(b) The conditions precedent as mentioned in the Schedule 1 hereto (if any) shall be conditions precedent to the Loan in addition to the **Conditions Precedent** as mentioned in this Agreement and the Sanction Letter;

11.2 The Borrower understands and acknowledges that the Bank is required to recognize incipient stress in borrower accounts, immediately on default, by classifying them as Special Mention Account (SMA) and subsequently as Non-Performing Asset (NPA). The intervals are intended to be continuous and accordingly, the basis for classification of the borrower to SMA/NPA categories is in accordance with RBI Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications dated November 12, 2021 as may be amended from time to time.

Example: If due date of a loan account is March 31, 2024, and full dues are not received before the lending institution runs the day-end process for this date, the date of overdue shall be March 31, 2024. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30,2024 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, 2024.
Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 30, 2024 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2024.

**Illustrative movement of an account to SMA category to NPA category based on delay I nonpayment of dues and subsequent upgradation to Standard category at day end process:**

| Due date of payment | Payment date | Payment covers | Age of oldest dues in days | SMA /NPA categorisation | SMA since date / SMA class date | NPA categorization | NPA Date |
|---|---|---|---|---|---|---|---|
| 01.01.2022 | 01.01.2022 | Entire dues upto 01.01.2022 | 0 | NIL | NA | NA | NA |
| 01.02.2022 | 01.02.2022 | No Payment or Partly paid dues of 01.02.2022 | 1 | SMA-0 | 01.02.2022 | NA | NA |
| 01.02.2022 | 02.02.2022 | No Payment or Partly paid dues of 01.02.2022 | 2 | SMA-0 | 01.02.2022 | NA | NA |
| 01.03.2022 | | Dues of 01.02.2022 not fully paid 01.03.2022 is also due at EOD 01.03.2022 | 29 | SMA-0 | 01.02.2022 | NA | NA |
| | | Dues of 01.02.2022 fully paid, Due for 01.03.2022 is not paid at EOD 01.03.2022 | 1 | SMA-0 | 01.03.2022 | NA | NA |
| | | No payment of full dues of 01.02.2022 and 01.03.2022 at EOD 03.03.2022 | 31 | SMA-1 | 01.02.2022/ 03.03.2022 | NA | NA |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Dues of 01.02.2022 fully paid, due for 01.03.2022 not fully paid at EOD 01.03.2022 | 1 | SMA-0 | 01.03.2022 | NA | NA |
| 01.04.2022 | | No payment of dues of 01.02.2022, 01.03.2022 and amount dues on 01.04.2022 at EOD 01.04.2022 | 60 | SMA-1 | 01.02.2022/ 02.04.2022 | NA | NA |
| | | No payment of dues of 01.02.2022 till 01.04.2022 at EOD02.04.2022 | 61 | SMA 2 | 01.02.2022 / 02.04.2022 | NA | NA |
| 01.05.2022 | | No payment of dues of 01.02.2022 till 01.05.2022 at | 90 | SMA 2 | 01.02.2022 / 02.04.2022 | NA | NA |
| | | EOD 01.05.2022 | | | | | |
| | | No payment of dues of 01.02.2022 till 01.05.2022 at EOD 02.05.2022 | 91 | NPA | NA | NA | 02.05.2022 |
| 01.06.2022 | 01.06.2022 | Fully paid dues of 01.02.2022 at EOD 01.06.2022 | 93 | NPA | NA | NPA | 02.05.2022 |
| 01.07.2022 | 01.07.2022 | Paid entire dues of 01.03.2022 & 01.04.2022 at EOD 01.07.2022 | 62 | NPA | NA | NPA | 02.05.2022 |
| 01.08.2022 | 01.08.2022 | Paid entire dues of 01.05.2022 & 01.06.2022 at EOD 01.08.2022 | 32 | NPA | NA | NPA | 02.05.2022 |
| 01.09.2022 | 01.09.2022 | Paid entire dues of 01.07.2022 & 01.08.2022 at EOD 01.09.2022 | 1 | NPA | NA | NPA | 02.05.2022 |
| 01.10.2022 | 01.10.2022 | Paid entire dues of 01.09.2022 & 01.10.2022 | 0 | Standard Account with No Overdues | NA | NA | STD from 01.10.2022 |

11.3 The Bank may suspend the Loan and / or disallow drawings on Borrower account on its classification as NPA or on account of non-compliance with the terms of the Sanction Letter and for which no separate

communication will be made by the Bank. In such cases, the Bank shall have the right to demand repayment of all principal monies together with Interest, Penal Charges, cost, charges, expenses and other monies outstanding under the Loan and to withdraw the Loan, notwithstanding anything to the contrary contained in this Agreement / Loan Documents and avail any other remedy provided under the guidelines issued by the RBI from time to time.

11.4 The Borrower shall not induct a person whose name appears in the list of wilful defaulters ("**LWD**") on its board or as a person in charge and responsible for the management of the affairs of the Borrower. In case, the Borrower is an individual, his/her name shall not appear in the list of wilful defaulters ("**LWD**").

11.5 In case a person, whose name appears in the list of wilful defaulters ("**LWD**"), is found to be on board of the Borrower or as a person in charge and responsible for the management of the affairs of the Borrower, the Borrower would take expeditious and effective steps for removal of such a person from the board or from being in charge of its management.

11.6 The Borrower hereby confirms that none of their directors or its Guarantors/ persons in charge of the management of affairs of the entity appears in the list of large defaulters/ list of wilful defaulters ("**LWD**") by way of reference to DIN/ PAN, etc.

11.7 The Borrower, being an entity/individual, understands that under no circumstances shall the Bank renew/ enhance/ provide fresh credit facilities or restructure existing facilities provided to the Borrower so long as his/her name/the name of its promoter and/or the director (s) and/or the person in charge and responsible for the management of the affairs of the entity remains in the list of willful defaulters ("**LWD**").

11.8 The Borrower hereby gives consent to the Bank to appoint an auditor acceptable to the Bank for the purpose of verifying diversion/siphoning of the facilities sanctioned by the Bank.

11.9 The Borrower hereby gives consent to the Bank to commission a forensic audit of affairs of the Borrower and its book of accounts, if required by the Bank.

11.10 The Bank Shall have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in relation to the Property that may have been provided as security and on the life of the Borrower towards amounts due and/or payable by the Borrower under this Agreement;

## 12. SECURITY

12.1. The Borrower shall furnish such securities and guarantees to the Bank as mentioned in the Sanction Letter(s) and as more particularly contained in the Schedule 1 hereto to secure the Loan together with interest and other Outstanding Amounts due from time to time. The Borrower shall execute and shall ensure execution of documents creating valid and enforceable Security by the Security Providers as per the terms hereof.

12.2. The Borrower shall at all times until any of the amounts are outstanding under the Loan, ensure that the Security is sufficient to maintain the LTV / margin / Security Cover as stipulated in the Schedule 1 hereto.

12.3. The Bank shall have the right to monitor the LTV/Security Cover at all times during the currency of the Loan. The Borrower shall also be liable to submit proof of the maintenance of the LTV / Security Cover as and when demanded by the Bank from the Borrower. If at any time, the Bank is of the opinion that the Security is insufficient to maintain the stipulated LTV / Security Cover, the Bank may (at its absolute discretion) require the Borrower to furnish to the Bank such further / additional security acceptable to the Bank within a period of 7 (seven) days and subject to such terms and conditions as the Bank may stipulate to restore the LTV / Security Cover. If the Borrower is unable to restore the LTV / Security Cover, the Bank may demand repayment from the Borrower of the Outstanding Amounts due at the time of such demand from the Bank. All expenses and charges incurred by the Bank with respect to valuation of the Security, creation of additional security, prepayment as aforesaid shall be borne by the by the Borrower on a full indemnity basis.

12.4. The Security created for securing the Loan shall be a continuing security and shall be available to the Bank until the discharge of all the obligations of the Borrower to the satisfaction of the Bank.

## 13. INSPECTION, MONITORING AND VALUATION

The Borrower agrees that the Bank or any person authorized by it shall have access, during the business hours, to take inspection of assets underlying the Security and the premises of the Borrower or such other place where the assets underlying the Security are situated and the records relating to such Security are kept or stored for the purpose of inspection. For under construction properties, the Bank shall have the right to inspect and monitor inter alia the progress of construction/ renovation / and the account of construction/renovation and value the same and make evaluation of receivables of the Borrower. Further, it shall be lawful for the Bank at any time and from time to time during the continuance of the Security to employ agents / officers / appraiser to carry out inspection and valuation the assets of the Borrower offered as Security. Any such valuation shall be conclusive against the Borrower. The Borrower shall bear all such costs and expenses incurred in relation to such inspection, monitoring and valuation.

## 14. COVENANTS

**AFFIRMATIVE COVENANTS:** The Borrower hereby expressly covenants with Bank as follows:

14.1.1 The Borrower shall utilize the entire Loan Amount for the Purpose as indicated by him/her/them in the Loan Application and for no other purpose whatsoever. Further, the Borrower shall submit end use certificate/declaration from the chartered accountant of the Borrower as and when required by the Bank at sole discretion of Bank.

14.1.2 The Borrower shall promptly give written notice to the Bank of the following events:

(a) Occurrence of any Event of Default described in any of the Loan Documents, or any event which, after the notice or lapse of time or both would constitute an Event of Default ("Potential Event of Default").
(b) Occurrence of any force majeure event as stated in Clause 23 hereunder and the effect of such force majeure event on the Borrower.
(c) Any dispute with any person, government/regulatory/local/statutory authority affecting or directly relating to the Borrower and/or Guarantors and/or the Security(ies) offered under the Loan Document including any dispute or difference relating to or concerning the Security.
(d) Any distress or execution being levied against the Security.
(e) Any material circumstances affecting the ability of the Borrower to repay the Loan in the manner stipulated hereunder.
(f) Where the Borrower is a Company, Partnership Firm or Sole Proprietorship Concern, such information relating to the Borrower's administration management and financial conditions, as may be stipulated by the Bank, from time to time.
(g) Any arrears payable to the government or any public/local authority such as income tax, corporation tax, property tax and all other taxes and revenues.
(h) The occurrence or likely occurrence of any event which is likely to affect the capacity of the Borrower to repay the Loan, all dues and other charges payable under the Loan Documents or the performance of the obligations of the Borrower to the Bank in respect of the Loan Documents.
(i) Where the Borrower is an individual, the Borrower shall promptly notify any change in his employment, business or profession as the case may be by way of termination, retirement, ceasing for any reason whatsoever.
(j) Where the Borrower is engaged in any industrial activity under applicable labour laws, the happening of any labour strikes, lockouts, shut downs, fires or any event likely to have a substantial effect on the Borrower's profits or business and of any material changes in the business of the Borrower with an explanation of the reasons thereof having an adverse effect on the repayment ability of the Borrower.
(k) Where the Borrower is an incorporated body and/or an entity other than natural person, the Borrower shall promptly notify any change in its/their constitutional document(s), nature of business, structure, ceasing of its operation etc. for any reason whatsoever.

(l) The Borrower shall promptly notify any change/ alteration in his/her/their address, email ID, phone number, landline as well as mobile phone, and any other relevant information in this regard, which were declared in the Loan Application for any reason whatsoever within 5 (five) Business Days of such change.

14.1.3 The Borrower shall provide such financial information and statements to the Bank in a form and manner and at such times as may be required by the Bank.

14.1.4 The Borrower expressly recognizes and accepts that the Bank may, without prejudice to its rights to perform such activities itself or through its officials, be absolutely entitled and have full power and authority to appoint one or more parties of Bank's choice as its collection agent. Further Bank shall have power to transfer and delegate such authority to the said party, the right and authority to collect on its behalf unpaid dues and to perform and execute necessary acts, deeds, matters and things connected therewith or incidental thereto including sending notices and demand, receiving the outstanding (in cash/draft/cheques) from the Borrower, entering into compromise with the Borrower giving the valid receipt and granting effectual discharge to the Borrower and generally performing all lawful acts as a third party may consider appropriate for the purpose.

14.1.5 The Borrower hereby agrees, confirms and undertakes that all incidental charges, at the rate fixed by Bank from time to time at its discretion, shall be debited to the Borrower's designated account as and when the same is due to Bank or shall be paid by the Borrower by way of cheque/demand draft drawn in favour of Bank, as specified by Bank at its sole discretion.

14.1.6 In case the amount lying and credited into the Borrower's designated account is not sufficient to pay the incidental charges, the Borrower shall deposit the deficient amount in the Borrower's designated account immediately upon the receipt of intimation to that effect from Bank or if required by Bank, the Borrower shall pay the deficient amount through cheque or demand draft drawn or such other modes as may be acceptable to the Bank in favour of Bank, as the case may be.

14.1.7 The Borrower declares that at all times it will be in compliance with the Applicable Laws including but not limited to the Prevention of Money Laundering Act, 2002.

14.1.8 The Borrower undertakes to ensure that each Security Provider complies with their obligations under the Security they provide to Bank.

14.1.9 The Borrower shall not stand surety for anybody or guarantee the repayment of any Loan or borrowing or overdraft or the purchase of any other asset (or other assurance against financial loss), other than as provided herein.

14.1.10 Where the Borrower is an individual, the Borrower shall not leave India for employment/business/stay abroad for long term without fully repaying the Outstanding Loan.

14.1.11 To the extent applicable, the Borrower shall share all information relating to financing assistance availed from the Bank to the Borrower including but not limited to the nature and amount of debt with Information Utilities in a manner as may be required by the IBC and the Rules therein & update the information from time to time.

14.1.12 The Borrower shall (i) inform the Bank of receipt of a demand notice/invoice or claim demanding payment served by an operational creditor or financial creditor as the case may be, within 2 (two) days of such receipt along with a copy of such invoice (ii) obtain written approval from the Bank prior to commencement of any (voluntary) proceedings under the IBC or prior to agreeing to participate or participation in any proceedings commenced against it under the IBC; (iii) submit information (financial, operational or otherwise) to the Information Utility as may be specified by the Bank including any updated/modified/rectified information as required.

14.1.13 The Borrower agrees and undertakes that the repayment obligation of the Borrower with respect to the Loan is absolute and the Borrower shall ensure that no third party related claims and/or concerns or issues jeopardies the Borrower's ability to service the Loan in any manner whatsoever.

14.1.14 However, in the event, Borrower receives/realizes any Receivables then the Borrower shall pay the same forthwith to the Bank to be applied in reduction of the Borrower's indebtedness to the Bank in respect of the Loan. The Borrower shall not recover or realize any of the Security comprising movable and immovable property upon being prohibited in writing by Bank from doing so.

14.1.15 The Borrower shall duly and punctually comply with all Applicable Laws, terms and conditions for acquiring and holding of the Property and all concerned and related rules, regulations, bye-laws etc. of the concerned co-operative society, association, limited company or any other competent authority and pay such maintenance or other charges for the upkeep of the Property as also any other public dues like Tax, cess, etc. levied by any Government Authority or any other dues as may be payable in respect of the said Property or the use thereof. The Borrower shall also comply with all the requirements under Income Tax Act, 1961, wealth tax or any other Laws or rules or regulations in force from time to time.

14.1.16 The Borrower shall maintain the Property, when completed, in good order and condition and will make all necessary repairs, additions and improvements there to during the pendency of the Loan.

14.1.17 The Borrower shall provide the Bank with all title documents to the Property; (i) which are in the Borrower's possession; (ii) which may come in the Borrower's possession at a future date; (iii) which are required to be submitted to the Bank to create/perfect the charge of Bank over the Property within the time period and/or in the manner as specified by Bank at its sole discretion.

14.1.18The Borrower shall ensure that the Property is during the pendency of the Loan, always duly and properly insured against all risk i.e. earthquake, fire, flood, explosion, storm, tempest, cyclone, civil commotion etc., and shall assign such insurance policies in favour of the Bank and deliver original of such insurance policies to the Bank. The Borrower shall make timely payments of the premium amounts / renewal amounts so as to keep the policy(ies) alive at all time until the Borrower is discharged from its obligations under the Loan Documents. In the event of failure by the Borrower to insure the Property or to pay the insurance premium or other sums under the insurance policies, Bank may, without an obligation to do so, pay such insurance premium and the other sums. The Borrower shall be liable to reimburse such amounts to the Bank within 15 (fifteen) days of demand being made by Bank with such charges as applicable and determined by Bank.

14.1.19 The Borrower shall notify and furnish details of any additions or modifications to or alterations or any other structural change in the Property which might be proposed to be made during the pendency of the Loan along with evidence of permission of competent authority to this effect to Bank to their satisfaction.

14.1.20 The Borrower shall pay all the amount including the amount of own contribution paid/payable in connection with the Property as well as any security for the Loan through legitimate source and shall not constitute an offence of money laundering under the Prevention of Money Laundering Act, 2002.

14.1.21 The Borrower shall not alienate, sell, mortgage, lease, encumber, charge, surrender, or otherwise in any manner whatsoever may be, alienate the Security or any part of the Security, or create or allow to exist any Security Interest in the Property, unless Bank shall agree otherwise. The Borrower shall not create any right of way or any other easement of the Property.

14.1.22 The Borrower shall not enter into any agreement or arrangement with any Person/institution or local or Government Authority for the use, occupation or disposal of the Property or any part thereof during the pendency of the Loan. The Borrower shall not execute any document, such as Power of Attorney, or any other similar or other deed, in favour of any person to deal with the Property in any manner whatsoever, except in favour of Bank in the manner required by Bank.

14.1.23 The Borrower shall not enter into any agreement for cancellation of/cancel the Sale Deed/Agreement to Sell/Title Deed entered into (without the permission of the Bank)with the purchasers for the sale of the Property.

14.1.24 The Borrower shall not change the nature of use of the Property or amalgamate or merge the Property with any other property. Further, the Borrower shall not effect any oral or other partition of the Property in any

manner, or enter into any family arrangement, or use it for the purpose of business and/or any purpose other than the Purpose.

14.1.25 If the Property is a leasehold property, the Borrower undertakes to take all necessary steps to get the leasehold Property converted into free hold (if mutually agreed with the Bank) and get the conveyance/transfer deed executed and registered in this regard and bear all necessary expenses connected therewith from her/his/their own sources. Upon execution of such conveyance deed, the Borrower shall immediately submit the original copy of such conveyance deed to Bank in order to validly create the Security.

14.1.26 Liability of Borrower to be Joint and Several: The liability of the Borrower to repay the Loan Amount, together with Interest, Outstanding Amount, and/or any other monies/charges payable by the Borrower to Bank, and to observe the terms and conditions of this Agreement, is, and shall remain, joint and several.

14.1.27 Bank shall always be at its liberty to recall the Loan/Outstanding Amount in case of untimely death of the Borrower.

14.1.28 In case the Borrower constitutes a firm or the Borrower is partner of a firm, no change whatsoever in the constitution of such firm during the continuance of this Agreement shall impair or discharge the liability of the Borrower or any one or more of them hereunder, or in any way effect the right and remedies of Bank under this Agreement.

## 15. BORROWER'S REPRESENTATIONS & WARRANTIES

15.1 The Borrower hereby represents, warrants and undertakes to the Bank as follows:-

15.1.1 Confirmation of Loan Application: The Borrower confirms the accuracy, authenticity, genuineness and legal validity of the information, document, statements given/provided by him/her/them, either in his/her/their Loan Application made to Bank, or otherwise during the subsistence of this Agreement/ Loan.

15.1.2 Power and Capacity of the Borrower: The Borrower has the capacity and authority to enter into this Agreement. Incase of a non-individual Borrower, it is duly organized, validly existing and in good standing under the laws of India. The Borrower has all necessary permissions and other authorisations

required in connection with its entry into, performance of and the validity and enforceability of its obligations and delivery of the Loan Documents to which it is a Party and the transactions contemplated by those Loan Documents and such permission and authorisation has not been, or is not threatened to be revoked, withdrawn or cancelled in any manner whatsoever. The Borrower has the necessary power and authorizations to carry on any business and/or profession that the Borrower conducts/practices.

15.1.3 Power of third party Security Provider: The third party Security Provider has a power and all necessary authorization to own and/or to provide the Security in terms of the provisions of this Agreement.

15.1.4 Valid Obligations: The Borrower's obligations under this Agreement and any Security (and the obligations of any Security Provider) are valid, binding and enforceable, and neither the Borrower nor any Security Provider will be in breach of any Law, authorization, document or agreement by entering into or complying with obligations or exercising rights under this Agreement or any Security.

15.1.5 Title Documents: The Borrower has / shall provide to the Bank, at sole discretion of the Bank, with all title documents to the Property / assets underlying the Security which is in the Borrower's possession.

15.1.6 Disclosure of Material Changes: Subsequent to the submission of the Loan Application, there has been no

change of a material nature, which would affect the Security or grant of the Loan as proposed in the Loan Application. The Borrower undertakes to immediately, within 3 (three) days, notify the Bank in the event of any material change to the information provided by the Borrower to the Bank pursuant to any Loan granted.

15.1.7 Charges and Encumbrances: There are no mortgages, security, hypothecation charge, lis-pendens or any other encumbrances of whatever nature, on the property offered as Security, except the charge created/to be created in favour of Bank.

15.1.8 Litigation & Infringement of Local Laws: The Borrower is neither a party to any litigation nor is aware of any facts likely to give rise to any litigation resulting in material claims against the Borrower and/or in respect to the property underlying the Security. Further, that no suit or proceeding is pending in or before any authority, office or any other Court of Law in respect of the Property / Security to be mortgaged with Bank nor has the Borrower been served with any notice or any other process for infringing the provisions of the Municipal Act or any Act relating to Loan bodies or Gram Panchayats or local Authorities or under any other law/authority.

15.1.9 Disclosure of Defects in Property: The Borrower or any of the Security Provider, are not aware of any document, judgment or legal process or other charges or any latent or patent defect affecting the title of the Borrower in the property underlying the Security or any material defects in the Security which has remained undisclosed and/or which may affect the interests, rights and claims of Bank prejudicially or adversely, or which might have caused which has remained undisclosed and/or which may affect the interests, rights and claims of Bank prejudicially or adversely, or which might have caused Bank not to enter into this Agreement or provide the Loan.

15.1.10 Immunity from Jurisdiction: Neither the Borrower nor any Security Provider nor any property underlying the Security which the Borrower or any Security Provider owns has immunity from the jurisdiction of any court or from legal process.

15.1.11 Trustee or Agent: The Borrower is not entering into this Agreement or transacting with Bank as a trustee, agent or nominee.

15.1.12 Public Schemes Affecting the Property / Security: The property underlying the Security is not included in or affected by any of the schemes of Government Authority or any other public body, a local body or by any Corporation, Municipal Committee, Gram Panchayat etc. The Borrower certifies that the Property is completely and absolutely unencumbered before the Loan is taken and it is situated at place which is served by a Municipal body set up under some Law.

15.1.13 **Disclosure of Facts:** The Borrower has disclosed all facts relating to the Property/ the Security to the Bank.

15.1.14 **Defaulter / Caution List:** (I) The Borrower's name and/or the name of any of the Security Provider is not included in any defaulter list nor has the Borrower been declared to be a wilful defaulter; (II) The Borrower or the directors / promoters / guarantors / associate concerns / partners / coparceners (as the case may be) of the Borrower are not in (a) on the Export Credit Guarantee Corporation's (ECGC's) specified approval list; or (b) convicted under the provisions of Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974; or (c) on RBI's defaulters / caution list; or (d) on the Bank's defaulter list; or (e) convicted under the provisions of Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974; or (f) on the Securities and Exchange Board of India defaulter list; or (g) under investigation by any investigation / enforcement agency or Authority; (h) in the

defaulter list of RBI or credit information company or any other similar agency from time to time.

In case where the above negative confirmations in this Clause 15.1.15 are not true, then the Borrower shall provide a written declaration with details of such relationship to the Bank. If the details of such declaration change during the term of any Loan or any part thereof then, the Borrower shall promptly provide a written declaration to the Bank of any such change.

15.1.15 Awareness of Bank rules: It shall be the Borrower's obligation to keep himself/herself/themselves acquainted with the rules of Bank as in force from time to time.

15.1.16 The Borrower repeats these representations and warranties each day during the currency of the Loan. If any representation or warranty is untrue, the Borrower shall give Bank details of the same in writing prior to signing this Agreement. The Borrower must notify Bank whenever anything happens which would mean the Borrower could not truthfully repeat these representations and warranties.

**16. Right of Lien and Set-off**

The Borrower hereby agrees, confirms and undertakes that Bank during the currency of the Loan, shall have a lien/charge over the monies in the accounts of the Borrower held with the Bank and/or shall have a right to set off the amounts lying in the Borrower's account held with the Bank without notice and shall also have charge over all movable property of every description coming into their possession of the Bank held by Bank on behalf of the Borrower or any one of them whether singly or jointly with others in India or elsewhere including, without prejudice to the generality, any monies bullion, deposits, deposit receipts, promissory notes, bill of exchange, cheques, railway receipts, Government bills and other documents of every description.

**17. Conditions applicable to Non-Resident Indian Borrower**

Where the Borrower is a Non-Resident Indian (NRI) as defined under the Income Tax Act, the Borrower (i) shall bring in the margin determined by Bank by way of foreign inward remittance through normal banking channels or debit to NRE, FCNR, NRO account of the Borrower (ii) repay the Loan by way of foreign inward remittance using normal banking channels, debit of NRE, FCNR, NRO or the rental/lease income from the Property which is financed by Bank. In the event the Borrower returns to India for permanent settlement during the term of the Loan, Bank may permit the Borrower to repay the Loan from local sources upon the Borrower providing Bank with evidence of permanent settlement in India. The provisions of this clause shall be automatically triggered if an Individual borrower becomes an NRI during the term of the Loan. Where an NRI who has returned to India for permanent settlement abandons permanent settlement in India and becomes an NRI, the provisions of the above subsection shall re-apply to the Borrower. The definition of NRI under the Income Tax Act shall apply to this Article.

**18. EVENTS OF DEFAULT**

18.1 Occurrence of Events of Defaults: Notwithstanding anything to the contrary contained in any of the Loan Documents, upon the occurrence of any of the following events or the events of default, in respect of any Loan under this Agreement or under any of the Loan Documents (each an "Event of Default"):-

18.1.1 The interest and principal or any other amount owing by or due from the Borrower to the Bank in relation to the Loan or any other facility granted by the Bank to the Borrower are not duly and punctually paid and satisfied as and when they fall due or when demanded;

18.1.2 The Borrower fails to duly and punctually perform and observe in any material respect any covenant, undertaking, obligation or agreement owed to or made with the Bank whether contained in this Agreement or in any Loan Document;

18.1.3 Any material representation or warranty made or given to the Bank at any time by the Borrower whether in relation to any Loan, account or otherwise shall be or become incorrect or shall be breached; or

18.1.4 If any transfer, charge, mortgage or other encumbrance is made or created over any properties or assets that is charged, mortgaged or otherwise encumbered to the Bank, without the prior written consent of the Bank; or

18.1.5 Any distress of execution or seizure is levied or enforced against any material part of the Property or assets underlying the Security of the Borrower; or

18.1.6 The Borrower enters into any scheme of arrangement or compromise with the Borrower's creditors or, (in the case of the Borrower being a corporation) a receiver manager is appointed over any material part of the Borrower's assets, or the Borrower ceases to carry on its business; or

18.1.7 In the case of the Borrower being a corporation, a resolution is passed for voluntary winding up or in case of involuntary winding up a petition for any dues is presented or any application is made for the windingup or liquidation of the Borrower or a petition is filed by any lender of the Borrower for winding up or liquidation of the Borrower or the appointment of a judicial manager of the Borrower or any analogous proceeding is taken against the Borrower in any other jurisdiction; or

18.1.9 Any government (including any political or administrative sub-division thereof), Government Authority, agency, official or government entity takes – any action (i) for the dissolution of the Borrower, or any action which deprives the Borrower: (a) from conducting any material part of its businesses or carrying out material part its operations in the manner it is being conducted or carried out, or (b) of the use of any material part of its assets; (ii) to revoke or terminate or refuse to renew any authorization which will have a material adverse effect on the operation of the business of the Borrower; (iii) with a view to regulate, administer, or limit, or assert any form of administrative control over the rates applied, prices charged or rates of return achievable, by the Borrower in connection with its business; which, in each case, in the opinion of the Bank, could have a material adverse effect; or

18.1.10 Any legal action has been taken against the Borrower or any Security Provider by any lender including but not limited to action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act"), filing of insolvency petition under IBC or any resolution plan under the RBI Guidelines on Prudential Framework for Resolution of Stressed AssetsRBI/201819/203DBR.No.BP.BC.45/21.04.048/2018-19 dated June 07, 2019 or under any other Applicable Law, rules and regulations.

18.1.11 The Borrower has admitted in writing its inability to pay any of its Indebtedness as they mature or when due; or

18.1.12 Any Potential Event of Default occurs under any agreement or document which in the opinion of the Bank renders it fit for Bank to recall the Facility; or

18.1.13 Any Security furnished to secure any of the obligations or liabilities of the Borrower to the Bank is or becomes invalid or unenforceable in any respect or in the reasonable opinion of the Bank is in jeopardy; or

18.1.14 The Borrower is included in defaulters list issued by the TransUnion CIBIL Limited or any other material defaulter list; or

18.1.15 It comes to the notice of the Bank that the Borrower has been diversifying or misusing its funds or using them for purposes other than as expressly provided for in this Agreement or any relevant addendum or any of the Loan Documents; or

18.1.16 If a cross default as below occurs:

(i) Any debt of the Borrower owned to the Bank is not paid when due nor paid within any originally accepted grace period. Similarly, any default by the Borrower on this Loan will be a cross default on all other facilities sanctioned by the Bank;
(ii) Any debt of the Borrower with other lenders is not paid when due nor within any originally applicable grace period under any other agreements / documents executed with such lender or any encumbrance over any assets of the Borrower to secure any other debt becomes enforceable; or
(c) Any commitment for any debt of the Borrower is cancelled or suspended by a creditor as a result of an event of default (however described) under any agreement / document with such creditor; It is hereby clarified that the Bank may grant a cure period, without any obligation to do so, for events which in its sole opinion it thinks is capable of being cured.

18.1.17 If the name of the Borrower (in case, the Borrower is an individual)/the name of any of the directors on the board of the Borrower or its guarantors/ persons in charge of the management of affairs of the Borrower appears in the list of large defaulters/ List of Wilful Defaulters ("**LWD**")

**18.2 CONSEQUENCES OF EVENT OF DEFAULT:**

Without prejudice to any other rights it may have under Applicable Law, the Borrower hereby agrees that on occurrence of an Event of Default, the Bank shall have following rights and the Bank may at its sole discretion exercise any or all of the following right(s) and remedies without any obligation to issue notice to this effect:

18.2.1 To recall the Outstanding Amount of the Loan either in part or in full and other dues payable with regard to the said Loan that may be payable by the Borrower under or in terms of this Agreement, Loan Documents and/or any other agreement/s, documents, subsisting between the Borrower and Bank as well as all other charges, costs, expenses and upon such declaration the same shall become due and payable immediately without further notice, notwithstanding anything to the contrary contained in this Agreement; and/or

18.2.2 To instruct any Person, who is liable to make any payment to the Borrower, including to pay directly to the Bank; and/or

18.2.3 Without prejudice to its other rights hereunder or under the Loan Documents or under any Applicable Law, in its sole discretion to exercise all the rights, powers and remedies vested in it for the protection, perfection and enforcement of its rights in respect of the Security herein; and/or

18.2.4 To enter upon and take possession of, deploy, dispose off, transfer any/all assets comprised within the Security created in favour of Bank, as may be applicable by way of lease, leave and license, sale or otherwise or in such manner as the Bank may deem fit; and/or

18.2.5 In addition to the above, to deposit the post-dated cheques, enforce the security offered herein given by the Borrower and Guarantors, utilise the amounts lying to the credit of the account of the Borrower towards repayment of outstanding dues;

18.2.6 To exercise all the rights and remedies available to it in such manner as the Bank may deem fit without intervention of the Court and without having to obtain any consent of the Borrower;

18.2.7 To exercise all the rights and remedies available to it in such manner as Bank may deem fit without intervention of the Court and without having to obtain any consent of the Borrower;

18.2.8 To levy Penal Charges without prejudice to its other right under this Clause 14 and/ or other Loan Documents; and/or

18.2.9 Without prejudice to other rights available hereunder and to the extent applicable, in case of an Event of Default, the Bank can invoke rights and remedies available to it under SARFAESI Act and IBC;

18.2.10 To exercise any other legal or equitable rights of Bank's under Applicable Law; and/or

18.2.11 In the event of default by the Borrower, the Bank may in the name of the Borrower as the attorney of the Borrower do all such acts and execute all such documents as the Bank may consider necessary or expedient in this regard.

## 19. REGULATORY DECLARATIONS[1]

19.1 **For the purposes of this Clause“**

"**Directors of the Bank**" includes the directors of the Bank (including chairman and managing director), Chief Executive Officer (CEO) and the top most officers of Business and Credit (presently the business head and credit head) of the Bank. “"**Relative"** means a person's spouse, father, mother (including step-mother), son (including step-son), son’s wife, daughter (including step-dau "**Directors of Other Banks**" includes apart from directors of commercial banks directors of Scheduled Cooperative Banks, the directors of their Subsidiaries / trustees of mutual funds / venture capital funds and includes each of their chairman and managing director. “daughter’s husband, brother (including stepbrother), brother’s wife, sister (including step-sister), sister’s husband, brother (including step-brother) of the spouse and sister (including step-sister) of the spouse.“

"**Specified Senior Officer**" means and includes the top most senior officer (presently the business head and credit head) and his / her immediate next lower level officer in credit and business functions of the Bank and includes the officers equivalent to an officer in senior management level in Grade IV and above in a nationalised bank.“

**"Substantial Interest"** shall have the same meaning assigned to it in Section 5(ne) of the Banking Regulation Act, 1949.

**19.2 The Borrower hereby declares as follows:**

(a) at the date hereof (1): (where the Borrower is a partnership firm or limited liability partnership) none of the Directors of the Bank or their Relatives is interested in the firm as partner, manager, employee or guarantor; (2): (where the Borrower is a company or a corporation) none of the Directors of the Bank or their Relatives, is interested in the company/corporation or in its Subsidiary or Holding Company as director, managing agent, manager, employee or guarantor or holder of substantial Interest; or holder of Substantial Interest;

(b) at the date hereof (1): (where the Borrower is a partnership firm or limited liability partnership) none of the Directors of Other Banks or Relative of a Director of Other Banks is interested in the firm as partner or guarantor; and (2): (where the Borrower is a company or a corporation) none of the Directors of Other Banks or Relative of a Director of Other Banks, is interested in the company / corporation as director or guarantor or holder of Substantial Interest;

(c) at the date hereof: (1); (where the Borrower is a partnership or limited liability partnership), none of its partners is a Relative of any Specified Senior Officer of the Bank and none of the Specified Senior Officers of the Bank or their Relatives is interested in the firm as partner or guarantor or holder of Substantial Interest; and (2): (where the Borrower is a company or a corporation) none of its directors, is a Relative of any Specified Senior Officer of the Bank and none of the Specified Senior Officers of the Bank or their Relatives, is interested in the company/ Corporation as director or guarantor or holder of Substantial Interest;

(d) Interested in the company/ corporation as director or guarantor or holder of Substantial Interest

In the event that the above negative confirmations/ declarations are not true, then the Borrower shall provide a written declaration with details of such relationship to the Bank. If the details of such declaration change during the term of the Facility then, the Borrower shall promptly provide a written declaration to the Bank of any such changes for the Bank to consider the same.

19.3 Further, the Borrower shall not induct any person as a director (not including a nominee director) or on their board or partner or as in charge and responsible for the management of the affairs of the Borrower, who is identified as a wilful defaulter/non –cooperative borrower or is a promoter or director or partner

or in charge and responsible for the management of the affairs of a person, which has been identified as a wilful defaulter/non–cooperative borrower as per guidelines issued by RBI, from time to time. If at any point of time any of the directors, promoters or partners or person in charge and responsible for the management of the affairs (as the case may be) of the Borrower (i) is found to be a wilful defaulter/non–cooperative borrower as per guidelines issued by RBI; or (ii) does an act so as to qualify as a wilful defaulter/non–cooperative borrower as per guidelines issued by RBI, from time to time; or (iii) is declared as wilful defaulter/non–cooperative borrower as per guidelines issued by RBI, from time to time, the Borrower shall do all possible things and take all possible steps permitted under the law for removal of such director, promoter, partner or person in charge (as the case may be) from its position/panel/board/partnership.

19.4 The Borrower shall promptly give written notice to the Bank of all litigations affecting the Borrower including, its directors, partners, etc., as the case may be which have been initiated by any other financial institution and / or bank ("FI Litigations"), and to procure the delivery of such notice to the Bank from the Borrower. Further, the Borrower shall provide complete details of all such FI Litigations which are current, proposed, pending, continuing or threatened against any Obligor its directors, partners, etc., in accordance with the regulations issued by RBI, from time to time.

19.5 The Borrower has duly paid and shall continue to pay, on timely basis, all statutory dues, including without limitation, statutory dues under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Borrower shall provide, on annual basis or as required by the Bank, a certificate from its auditors certifying that all statutory dues, including without limitation, statutory dues under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 have been duly paid by the Borrower.

19.6 The Borrower shall not use all or any part of the Facility for investment(s) into capital market oriented mutual fund schemes including, without limitation, equity / real estate mutual funds or real estate, land acquisition or any speculative purposes or any other use prohibited by RBI.

19.7 The Borrower agrees that, in accordance with the guidelines of RBI on Prudential Framework for Resolution of Stressed Assets dated June 07 2019, as may be amended from time to time, the Bank shall be entitled to identify incipient stress in any borrower's account (including the Borrower's accounts) held with it and pursuant thereto, create different sub categories of such accounts. The Borrower agrees that the Bank shall report credit information of such borrowers (including the Borrower) who have an aggregate fund based and non fund based exposure above the limit as so specified by RBI, from time to time, to the Central Repository of Information on Large Credits ("CRILC").

19.8 [The Borrower consents that the Bank shall have the power to convert, Dues of the Facility, either in part or full and whether the same is due or not, into fully paid-up equity voting shares of the Borrower as a consequence of Default at the valuation determined per Applicable Law.]

19.9 [The Borrower shall not utilise the Facility or any part thereof for setting up of new units consuming/producing Ozone Depleting Substances as mentioned in annexures 1 and 2 to the Montreal Protocol. The Borrower also declares that it is not engaged in the manufacture of the aerosol units using chlorofluorocarbon.]

19.10 The Borrower agrees that the Bank shall receive details of the "Unhedged Foreign Currency Exposure" of the Borrower, as prescribed by the Bank and RBI under circular DBOD.BP.BC.No.62/ 21.04.103/ 2012-13 dated November 21, 2012 as may be amended/supplemented/replaced from time to time, from time to time, (i) in such form and manner (ii) at such intervals and (iii) to be calculated on the basis of such parameters as so communicated by the Bank from time to time.

19.11 The Borrower shall keep proper books of accounts of its business and carefully keep and preserve all the documents, papers and vouchers for the inspection of the Bank or its officer(s) and agent(s) and

allow them or it or him access thereto and to make copies of or extract from the same. Any cost incurred by the Bank or its officer(s) and agent(s) for the inspection shall be borne by the Borrower.

**20 Inter-branch Transfer**

The Borrower hereby agrees that the Bank shall be at liberty to transfer the account of the Borrower from one branch to another branch of the Bank as per the administrative convenience of the Bank with notice to the Borrower about the intended transfer of the said account. The Borrower shall continue to enjoy the credit facility on the same terms and conditions at the transferee branch on the same terms and conditions contained in the Loan Document.

**21. Conclusiveness of certificate**

A certificate signed by any of the Bank's officers as to the amounts at any time due or owing by the Borrower in respect of any Loan shall be, in the absence of any manifest or proven error, conclusive evidence as against the Borrower of the amounts so due or owing.

**22. Illegality**

If any one or more of the provisions of any facility granted, or any part thereof, shall be declared or adjudged to be illegal, invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not vitiate any of the other provisions, which shall remain in full force, validity and effect. The Borrower shall take all steps, execute all documents and do everything reasonably required by the Bank in order to give full legal effect to the intended commercial purpose of such provision or part thereof as far as possible.

**23. Force majeure**

The Bank shall be relieved from the performance and discharge of any duty or obligation owed to the Borrower whether under any agreement including but not limited to this Agreement or otherwise to the extent to which the performance or discharge of such duty or obligation is prevented, frustrated or impeded as a consequence of war, invasion, act of foreign enemy, hostility (whether war has been declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or by any statute, rule, regulation, order or requisition issued by or act of any government, department, council or other authority (whether de jure or de facto) or from strikes, lockouts, epidemic, breakdown of plant or any other causes (whether or not of a like nature) beyond the Bank's control.

**24. Further assurances**

The Borrower shall, at the Borrower's expense, execute, sign, perfect and do, and if required, register, every document, act or thing, including the Loan Documents, which in the opinion of the Bank is necessary for the purposes of implementing and carrying into effect any provision of this Agreement or perfecting any security obtained in relation to any account of or any Loan granted to the Borrower, in the form and substance acceptable to the Bank. The Borrower agrees and undertakes to sign, without any demur or protest, such documents and writings and at such periodic intervals, as may be required by the Bank, including acknowledging the outstandings under each or any of the Loan, for the purpose of section 18 of the Limitation Act, 1963.

**25. Amendment**

The Loan Documents may be amended or varied at any time and from time to time with the consent of all persons who are parties to such Loan Documents and such amendments or variation shall become effective upon service of execution of written agreement by persons who are the parties to such Loan Document.

**26. Assignment and participation**

26.1 The Borrower shall not transfer or assign any of its rights or liabilities under this Agreement to any person without the prior written consent of the Bank.

26.2 The Borrower agrees that notwithstanding anything to the contrary contained in any documents executed under / in relation to this Agreement/the Loan, the Bank shall have the right to assign and / or transfer and / or novate and / or otherwise securitise its rights or obligations or any part thereof under this Agreement, the Loan Documents and / or the Outstanding Amounts and/or enter into indemnity or other arrangements for risk sharing, whether with or without recourse to the Bank, to one or more scheduled commercial banks or any other entity, trust, any association whether located / placed in India or outside India, with intimation to the Borrower or any third party security provider or guarantor. The Borrower shall not, however, claim any privity of contract with any such entity to whom the Outstanding Amounts and/or the rights or obligations under this Agreement have been assigned / transferred / securitised or the Bank has entered into indemnity or arrangements for risk sharing.

26.3 The Borrower hereby expressly and unconditionally agrees that notwithstanding anything to the contrary contained in any of the Loan Documents, that during the subsistence of the Loan, the Bank shall have the liberty to shift, at its discretion, with intimation to the Borrower, from time to time a part or portion of the outstandings in the limit/s of the Loan (hereinafter referred to as the "Participation") to one or more scheduled commercial banks (hereinafter referred to as the "Participating Bank/s") and the Participation shall be governed by the terms of the Reserve Bank of India (Transfer of Loan Exposures), Directions, 2021 dated 24th September, 2021, as may be further amended or supplemental or replaced, from time to time. The Participation shall not affect the rights and obligations, inter se, the Borrower and the Bank in respect of the Loan, in any manner whatsoever. Such Participation shall be available to the Bank, for and in respect of all additional/ further limits under the Loan, with intimation to the Borrower in that behalf. The Borrower shall not have and shall not claim any privity of contract with any such Participating Banks under the Participation and the Bank shall continue to represent the Participating Banks in all respects and for all matters arising out of/relating to the Participation.

**27. Costs and expenses**

The Borrower shall be liable to reimburse all costs and expenses in relation to the Loan (whether or not such Loan is cancelled prior to Disbursement or Utilization thereof) incurred by the Bank including without limitation actual fees and expenses of the Bank's legal, litigation costs (whether by Borrower or third party) and other professional advisors, costs incurred in payment of taxes, duties, levies, charges or obligations whatsoever charged or falling due, or is in default of payment of any insurance premium, legal or inspection or valuation fees, stamp duty or their out-of-pocket expenses of any kind whatsoever by the Borrower or in relation to the preserving, protecting, exercising or enforcing any Security furnished to secure any of the obligations or liabilities of the Borrower to the Bank. The Borrower shall pay such reimbursements on demand to the Bank and until payment in full shall pay Penal Charges and other charges from the date of demand.

**28. Indemnity**

The Borrower shall indemnify the Bank against all losses, damages, claims, costs (including funding costs), expenses, charges, proceedings and all other liabilities whatsoever including legal costs (on a full indemnity basis) (other than those arising out of gross negligence or fraud of the Bank)which the Bank may incur as a result of (i) anything lawfully done by the Bank when acting within the terms of any Loan granted to the Borrower or any failure by the Borrower to perform or observe any of his or its obligations under any Loan granted and against all the consequences of breach of any of the term, conditions, statements, undertaking, representations, guaranties etc. of the Loan Documents as also of any of its representations or warranties not being found to be true, any breach of trust or other fiduciary obligation binding on the Borrower; (ii) in relation to any litigation from the Borrower or any third party/Person in relation to the Loan; (iii) any draft, cheque, promissory note, bill of exchange and other order for payment is or may be payable including, without limitation, each claim and liability arising or incurred by reason of the Bank's endorsement on such item, or whether arising or incurred by reason of forgery thereof or unauthorised signatures thereon or otherwise; (iv) penalties with respect to or resulting from delay or omissions to pay any such stamp, registration and similar taxes or charges (other than those arising out of gross negligence, wilful misconduct or fraud of the Bank). Such stamp, registration and similar taxes or

charges (if not paid or reimbursed by the Borrower) shall be deemed to be the amounts due under/in relation to the Loan.

**29. Disclosure and information**

The Borrower hereby gives consent to the Bank to disclose information and data relating to the Borrower, Loan or any credit Loan availed of by the Borrower, obligations assumed by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof to statutory agencies including but not limited to RBI, Income Tax Authorities, credit bureau, credit rating agencies, (if facilities are rated) other banks, financial institutions or any other government or regulatory authorities, statutory authorities, quasi-judicial authorities.

The Borrower hereby further agrees as a pre-condition of the Loan given to the Borrower by the Bank that, in case the Borrower commits default in the repayment of the Loan or in the repayment of Interest or Commission thereon or any of the agreed instalment of the Loan on due date(s), the Bank and/or the RBI will have an unqualified right to disclose or publish the Borrower's name or the name of its director/s or partner/s or the name/s of the guarantor/s as defaulter/s in such manner and through such medium as the Bank or RBI as may be required under Applicable Law.

**30. Grievance Redressal Mechanism:**

a) In case of any grievances related to the Loan, the Borrower can contact the SBM India's customer service executives on Telephone: 1800 1033 817 or Email at customercare@sbmbank.co.in

OR
Borrower can write to:
The Compliance Manager
SBM Bank (India) Ltd
Registered Office: 101 Raheja Centre, Free
Press Journal Marg, Nariman Point, Mumbai - 400
021,

India Corporate Office: 306-A, The Capital, G Block, Bandra Kurla
Complex, Bandra (East), Mumbai-400051, India.

b) In case the concern remains unresolved beyond a period of 10 days from raising the concern with the customer service executives/ compliance manager, the Borrower may escalate the matter to the nodal officer at:
The Nodal Officer,
SBM Bank (India) Ltd, 101, Raheja Centre, 1st Floor, Free Press Journal Marg, Nariman Point, Mumbai 400 021.
Corporate Office-306-A, The Capital, G Block, Bandra Kurla Complex, Bandra (East), Mumbai400051, India.
Email: nodal.officer@sbmbank.co.in Telephone:
(91)(22) (40071500)

c) In case the concern remains unresolved beyond a period of 7 days from raising the concern with the nodal officer, the Borrower may escalate the matter to the Principal Nodal officer at:
The Principal Nodal Officer,
SBM Bank (INDIA) Limited, 101, Raheja Centre, 1st Floor, Free Press Journal Marg, Nariman Point, Mumbai 400 021.

Corporate Office-306-A, The Capital, G Block, Bandra Kurla Complex, Bandra (East), Mumbai400051, INDIA.
Email: principalnodalofficer@sbmbank.co.in

d) In case the Borrower is still not satisfied with the response so received from the principal nodal officer, the complainant may approach the Complaint Redressal Cell of Banking Ombudsman

**31. Notices**

Any notice, demand, statement or communication by the Bank to the Borrower shall be in English and:-

(a) May be sent to the Borrower by personal delivery, post, facsimile, e-mail, website or other written or recorded form of electronic communication to its address set out in the Schedule 1 hereto;
(b) if sent by post to an address in India, shall be deemed to have been served forty-eight (48) hours after posting, and if sent by post to an address outside India, shall be deemed to have been served seventytwo (72) hours after posting; and
(c) if sent by telex, facsimile or other written or recorded form of electronic communication, shall be deemed to have been served at the time of sending.

Any notice or communication by the Borrower to the Bank shall be in writing, may only be sent by personal delivery or pre-paid post addressed to the manager of the branch of the Bank through which the relevant facility is granted to the Borrower, and will only be effective when actually received by the Bank.

**32. Conflicting Provisions**

This Agreement shall form an integral part of each of the Loan Documents to be entered into between the Borrower and the Bank and the Loan Documents shall be read as if the provisions of this Agreement, to the extent applicable, are specifically incorporated therein and to the extent of any inconsistency or repugnancy. Unless specifically stated in this Agreement, in case of any inconsistency or repugnancy between the terms of this Agreement and the Sanction Letter the contents of the Sanction Letter shall prevail to all intents and purposes.

**33. Waiver**

The Borrower confirms that no delay of the Bank in exercising or not exercising any right, power or remedy accruing/available to the Bank on Borrower's default or otherwise under this Agreement or any Loan Document, shall impair or prejudice such right, power or remedy or shall be construed as its waiver or acquiescence. The Borrower further confirms that any single or partial exercise of any right, power or remedy by the Bank shall not preclude further exercise thereof. Every right and remedy of the Bank shall continue in full force until the Bank specifically waives it by a written instrument.

**34. Stamp Duty**

The Borrower agrees to bear and pay all present and future stamp, registration and similar taxes or charges which may be payable in connection with the acceptance, delivery, performance or enforcement of this Agreement and/or any Loan Document.

**35. Counterparts**

This Agreement may be executed in two or more counterparts, all of which shall constitute one agreement between the parties.

**36. Severability**

Any provision of this Agreement or the Loan Documents which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or un-enforceability but that shall not invalidate the remaining provisions of this Agreement and the Loan Documents nor affect such provision in any other jurisdiction.

**37. Dispute Resolution**

Any question, dispute or claim arising out of or in connection with this Agreement including any question on its existence, validity or termination shall be referred to and finally adjudicated through arbitration by a sole arbitrator and in accordance with the Arbitration and Conciliation Act, 1996. The sole arbitrator will be mutually appointed by the parties. The venue for such arbitration shall be as mentioned in Schedule 1 hereunder, India. The arbitration award given by the sole arbitrator appointed as aforesaid shall be final and binding on all the Parties in connection with any question of facts or law arising in the course of arbitration or with respect to any award made. Further, the present article shall survive the termination of this Agreement.

**38. Governing law and jurisdiction**

This Agreement and the Loan Documents 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 as mentioned in the Schedule 1 hereto. 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.

**SCHEDULE 1**

| | | |
|---|---|---|
| 1. | Date and Place of execution of the Agreement | Date: _____<br>Place: _____ |
| 2. | Date and Place of execution of the Agreement | 1. Constitution: o Individual o Company o Partnership o HUF o LLP o Others<br>Name:<br>Address:<br>Email:<br>Contact:<br>2. Constitution: o Individual o Company o Partnership o HUF o LLP o Others<br>Name:<br>Address:<br>Email:<br>Contact:<br>3. Constitution: o Individual o Company o Partnership o HUF o LLP o Others<br>Name:<br>Address:<br>Email:<br>Contact:<br>4. Constitution: o Individual o Company o Partnership o HUF o LLP o Others<br>Name:<br>Address:<br>Email:<br>Contact:<br>5. Constitution: o Individual o Company o Partnership o HUF o LLP o Others<br>Name:<br>Address:<br>Email:<br>Contact: |
| 3. | Details of the Sanction Letter | Date: _____<br>Reference No. : _____ |
| 4. | Loan (Maximum Limit) | Home Loan Term Loan INR [_____] /-<br>(Indian Rupees [_____] Only) as more particularly described in Annexure A-1<br>OR<br>Home Loan Term Loan linked to savings account INR[_____]/-<br>(Indian Rupees [_____] Only) as more particularly described in Annexure A-1<br>OR<br>Loan Against Property (Term Loan Facility) INR [_____]/-<br>(Indian Rupees [_____] Only) as more particularly |

| | | |
|---|---|---|
| | | described in Annexure A-2<br>OR<br>Loan Against Property (Overdraft Facility) INR [_____]/-<br>(Indian Rupees [_____]) as more particularly described in Annexure A-3 |

| | | |
|---|---|---|
| 5. | Purpose of Loan | |
| 6. | Applicable Rate of Interest | |
| 7. | Interest | i) Fixed rate of Interest:<br>The Fixed Rate of Interest shall be in following manner: @_____% per annum from the period from _____to_____ _____ ii) Floating rate of Interest:<br>The floating Rate of Interest shall be based on SBM BANK (INDIA) LIMITED EBLR as decided by SBM BANK (INDIA) LIMITED time to time: @ SBM BANK (INDIA) LIMITED EBLR*(+_____%) or (-_____%)=_____% per annum on the date of execution of the Agreement.<br><br>iii) Initially as Fixed Rate of Interest followed by Floating Rate of Interest:<br><br>a) The Fixed Rate of Interest shall be in following manner: @ _____% per annum from the period from _____to _____<br><br>b) Floating Rate of Interest to be applicable thereafter for the balance Loan Amount based on prevailing SBM BANK (INDIA) LIMITED EBLR at that time (+_____%) or (-_____%) =_____% per annum for remaining period as per terms of the loan agreement |
| 8. | Repayment Schedule | "Loan Term" : _____(months)*<br>"Equated Monthly Instalment "(EMI)* : Rs. _____<br>(Indian rupees _____)<br>Number of EMIs* : _____<br>Date of Commencement of EMI: _____ _____<br>Due date of first EMI: _____<br>Due date of the subsequent EMIs shall be payable on the same date of each month or shall be _____<br>However, in case of disbursement in tranches, the EMI shall commence from the date of Last disbursement. The Repayment Schedule may be revised by SBM BANK (INDIA) LIMITED from time to time. |
| 9. | Address of the Designated Branch of the Bank | |
| 10. | Description of Property | |
| 11. | Details of Security | |
| 12. | Conditions Precedent | |
| 13. | LTV / Security Cover/ Own Contribution | |
| 14. | Address for Notice to the Borrower | Address:<br>Email:<br>Fax:<br>Contact Person:<br>Contact No: |

| | | |
|---|---|---|
| 15. | Place of Arbitration | |
| 16. | Governing Law and Jurisdiction | |

**SCHEDULE 2**

**PENAL CHARGES FOR BREACH OF MATERIAL TERMS AND CONDITIONS**

| **Scheme/Products** | **Description** | **Amount payable** |
|---|---|---|
| LAP | Penal Charges (In case of Default and delay in payment and/or Breach of Material Terms and Conditions) | 2% p.a. from the date of default till the facility is regularized/paid off. Charged on defaulted amount only. |

**Other Charges**

| **Scheme/Products** | **Description** | **Amount payable** |
|---|---|---|
| LAP | Cheque/PDC/NACH/ ECS/SI/Auto Debit Bounce Charges | Rs. 500 + Applicable Taxes |
| | Switching charges from floating to fixed rate of interest (Allowed once in Loan Tenure) | 0.5% of the principal outstanding + Applicable Taxes |

| | | |
|---|---|---|
| | Prepayment Charges | **<u>For Individuals</u>**<br><br>**- Loans under Floating ROI:** Part Prepayment & Full Prepayment - Nil charges<br><br>**-Loans under Fixed ROI**:<br>○ **Part-Prepayment:**<br>Nil Charges: For prepayments up to 25% of the Principal Outstanding amount once every 6 months. Charges Applicable: If the prepayment exceeds 25% of the Principal Outstanding amount once every 6 months, a charge of 2% will be levied on the excess amount (i.e., the amount repaid beyond 25% of the principal outstanding) + Applicable taxes.<br><br>○ **Full-Prepayment**: 2% of the Principal Outstanding amount for closure through own source of funds & 4% of the Principal Outstanding amount for closure through Balance transfer + Applicable Taxes<br><br>**<u>For Entities</u>**<br>**<u>(With end use of Business Purpose and other than Business Purpose)</u>**<br><br>**-Loans under Floating & Fixed ROI**<br>○ **Part-Prepayment:**<br>Nil Charges: For prepayments up to 25% of the Principal Outstanding amount once every 6 months. Charges Applicable: If the prepayment exceeds 25% of the Principal Outstanding amount once every 6 months, a charge of 2% will be levied on the excess amount (i.e., the amount repaid beyond 25% of the principal outstanding) + Applicable taxes.<br><br>○ **Full-Prepayment**: 2% of the Principal Outstanding amount for closure through own source of funds & 4% of the Principal Outstanding amount for closure through Balance transfer + Applicable Taxes<br><br>○ **Part Pre-payment and Full Pre-Payment Charges (For Registered Micro & Small Enterprises)**<br><br>- with end use of other than Business Purpose: Charges applicable as mentioned above<br>- with end use of Business Purpose: Nil Charges |
| | Loan Rescheduling charges | Rs. 500 + Applicable Taxes per request |
| | Statutory Charges | As applicable in the respective state. |

| | | |
|---|---|---|
| | Repayment mode Swap charges | Rs. 500 + Applicable Taxes per request |
| | PDC Swap charges | Rs. 500 + Applicable Taxes per request |
| | Disbursement cheque cancellation charges post disbursement | Rs. 3000 + Applicable Taxes |

Note : GST and other taxes will be applicable on above charges as per extant government regulation.

The Borrower is aware that the schedule hereto, the terms and conditions, charges are currently prevalent and can be changed and /or fresh/new conditions, charges can be added to anytime and from time to time at sole and absolute discretion of the Bank and such changes shall be binding on the Borrower.

## ANNEXURE – A1

## SPECIAL CONDITIONS WITH RESPECT TO HOME LOAN (TERM LOAN)

**This Annexure shall form an integral part of the Loan Agreement dated [_____] ("Agreement") and shall be read along with the terms of the Agreement.**

**IT IS AGREED AS FOLLOWS:**

**A.** **Disbursement**: Bank may, based on such requests and representations by the Borrower herein and/or under the Agreement, at its sole discretion and at the instance and specific request of the Borrower make Disbursements under the Loan as per terms of the Agreement with reference to the need or progress of construction of the Property for under construction properties(which decision shall be final and binding on the Borrower) and for fully constructed Properties based on the request of the Borrower. The Disbursement shall be made directly to the Borrower / builder / developer or such other third person as may be requested by the Borrower.

**B.** **Own Contribution**: The Borrower represents and warrants to the Bank that the Borrower has, paid to the builder/developer his/her/their own contribution being an amount described in Schedule 1 herein in full.The Borrower represents that the Borrower's Contribution towards purchase of the Property is not connected directly or indirectly to any proceeds of any scheduled offence under the Prevention of Money Laundering Act, 2002 and is not designed for the purpose of any contravention or evasion of the provisions of the Prevention of Money Laundering Act, 2002, rules, regulations, notifications, guidelines or directions of any other statutory authority passed from and/or amended from time to time and the Borrower agrees to adhere to the provisions of the Prevention of Money Laundering Act, 2002, and rules, regulations, notifications, guidelines or directions of any other statutory authority and/or any other Applicable Laws passed in that regard from and/or amended from time to time.

**C.** **Additional Repayment Terms:** For under construction Properties, the Borrower shall pay PEMII to the Bank on monthly basis during every English calendar month on the Disbursement made until the commencement of EMI.

**D.** **Additional Covenants**

(i) The Borrower covenants that he shall complete the purchase / construction of the Property as indicated by him in his Loan Application or otherwise and obtain and produce to the Banka proper completion certificate issued by the concerned municipal corporation or municipality or authority.

(ii) The Borrower further covenants that it shall be his responsibility to ensure that the construction of the Property is in accordance with the National Building Code of India issued by the Bureau of Indian Standards and also meets with the safety standards prescribed therein.

(iii) The Borrower shall promptly notify any event or circumstances which might operate as a cause of delay in the commencement or completion of the construction/purchase of Property.

(iv) The Borrower represents and warrants that subsequent to the said Loan Application there has been no material change which would affect the purchase or construction of the Property as proposed in the Loan Application.

(v) The Borrower undertakes that the Borrower's liability to repay the Loan and interest thereon shall remain as per the terms and conditions of the Loan Documents and shall not be impacted under any circumstances whatsoever, including but not limited to the conduct of the Developer/status/stage of the Project/Property or any issues/concern/dispute of whatsoever nature between the Borrower and Developer.

(vi) Borrower agrees, undertakes and declares that the built up Property has been constructed as per the sanctioned plan and/or building bye-laws and a completion certificate has been obtained. The Borrower undertakes to submit a certificate from an architect appointed by the Bank (at the cost of the Borrower) certifying that the property is strictly as per sanctioned plan and/or building bye-laws prior to submitting any Disbursement request under the Loan.

OR

The Property shall be acquired and/or constructed on the land comprising the Property as indicated in the Loan Application/Schedule and in accordance with the sanctioned plan for the same, and the Borrower shall obtain and produce to Bank a proper true copy of such sanction plan. In case the construction of the Property is being undertaken by the Borrower, the Borrower covenants that he/ she/they shall complete the said construction of the Property strictly as indicated by him/her/them in his/ her/their Loan Application and not otherwise, and obtain and produce to Bank a proper occupation/ completion certificate issued by the concerned Municipal Corporation/Municipality or other Government Authority concerned. Further, the Borrower shall complete the purchase of the Property as stated in the Loan Application and produce to Bank a proof of proper completion certificate issued by the relevant statutory authority, municipal corporation, municipality or other local authority and all other documents Bank may require in connection with the purchase of the Property.

(viii) In the event the Loan has been disbursed by Bank to a builder/society/third party for and on behalf of the Borrower towards purchase price of the Property and if due to any event/circumstance the allotment of the Property to the Borrower is cancelled and the builder/society/third party refunds the amount disbursed by Bank after forfeiting certain amount, the Borrower undertakes to make good and/or repay in full the amounts so forfeited by the Builder/ society/third party.

(ix) Unless a contrary indication appears, terms defined in the Agreement shall have the same meaning in this Annexure.

(x) In the event of any discrepancies between the provisions of this Annexure and the Loan Agreement, the provisions of this Annexure shall supersede the provisions of the Loan Agreement to the extent of the discrepancy.

**E. Special Conditions for Home Saver Term Loan ("Home Saver"):**

If Home Saver is availed by the Borrower, following terms shall be applicable to the Borrower in addition to the above. In case of the Home Saver, the Borrower shall pay to the Bank, Interest on the principal amount of the Loan utilised and outstanding from time to time minus balance lying in the savings account of the Borrower as may be intimated to the Bank ("Saving Account") at a rate equal to the Applicable Rate of Interest mentioned in the Schedule 1, which shall be calculated on a daily basis and shall be payable at the end of every month as per the Repayment Schedule.

The Borrower hereby agrees that for availing the interest benefit facility on the Loan, the Bank is hereby authorised to link the Savings Account of the Borrower with its Loan Account until the closure of the Loan to the satisfaction of the Bank. In consideration of the interest saver benefit being passed on to the Borrower, the Borrower further acknowledges that during the tenure of the Loan and until all the Outstanding Amounts are paid to the Bank to its satisfaction, no interest shall be paid by the Bank on the balances lying in the Savings Account till the time such Savings Account is linked to the Loan Account. The Borrower shall be entitled to withdraw the amounts from the Savings Account during the term of Loan unless an Event of Default or a Potential Event of Default has occurred and is existing.

## ANNEXURE A- 2

## SPECIAL CONDITIONS WITH RESPECT TO LOAN AGAINST PROPERTY (TERM LOAN)

**This Annexure shall form an integral part of the Loan Agreement dated [_____] ("Agreement") and shall be read along with the terms of the Agreement.**

**IT IS AGREED AS FOLLOWS:**

A. **Disbursement:** Bank may, based on such requests and representations by the Borrower herein and/or under the Agreement, at its sole discretion and at the instance and specific request of the Borrower make Disbursements under the Loan as per terms of the Agreement. The Disbursement shall be made directly to the Borrower or such other third person as may be requested by the Borrower.

**B. ADDITIONAL COVENANTS**

(I) The Borrower agrees to comply with time frame specified in the sanction plan approved by the relevant authority for construction and/ development of the Property for which the Loan has been availed and shall complete construction and/or development of the Property with such stipulated time period as mentioned in such sanctioned plan.

(II) In case the Property is situated at Small Place the Borrower shall certify that the said Small Place has the usual civic amenities, such as electricity, tap water, drainage etc. and the construction will not conflict with any of the plans of the Government Authorities or other bodies and the sale of the Property when necessary, can be carried out easily.

(III) Unless a contrary indication appears, terms defined in the Agreement shall have the same meaning in this Annexure.

(IV) In the event of any discrepancies between the provisions of this Annexure and the Loan Agreement, the provisions of this Annexure shall supersede the provisions of the Loan Agreement to the extent of the discrepancy.

## ANNEXURE A- 3

## SPECIAL CONDITIONS WITH RESPECT TO LOAN AGAINST PROPERTY (OVERDRAFT)

**This Annexure shall form an integral part of the Loan Agreement dated [_____] ("Agreement") and shall be read along with the terms of the Agreement.**

**IT IS AGREED AS FOLLOWS:**

A. **Utilisation**: A new overdraft account will be opened and limit shall be set up to the Maximum Limit for the said overdraft account. Bank may, based on such requests and representations by the Borrower herein and/or under the Agreement, at its sole discretion and at the instance and specific request of the Borrower make available the Loan to the Borrower for drawing down from the overdraft account as per terms of the Agreement. The utilization of the Loan by the Borrower shall be within the Availability Period. Penal Charges will be charged on amounts overdrawn.

B. **Additional Covenants:**

(I) The Borrower agrees to comply with time frame specified in the sanction plan approved by the relevant authority for construction and/development of the Property for which the Loan has been availed and shall complete construction and/or development of the Property with such stipulated time period as mentioned in such sanctioned plan.

(II) In case the Property is situated at Small Place the Borrower shall certify that the said Small Place has the usual civic amenities, such as electricity, tap water, drainage etc. and the construction will not conflict with any of the

plans of the Government Authorities or other bodies and the sale of the Property when necessary, can be carried out easily.

(III) Unless a contrary indication appears, terms defined in the Agreement shall have the same meaning in this Annexure.

(IV) In the event of any discrepancies between the provisions of this Annexure and the Loan Agreement, the provisions of this Annexure shall supersede the provisions of the Loan Agreement to the extent of the discrepancy.

C. **Renewal of Loan:** Loan sanctioned by the Bank shall be valid and operative for a tenure as specified in the Sanction Letter. The Borrower shall in advance before expiry of Loan, apply to the Bank for renewal/enhancement/review of the Loan, and submit the financial data as may be required by the Bank. The Bank, may, at its sole discretion but not be bound to, review and renew the Loan, at its own, on the basis of the operation of the accounts and financial data of the Borrower available with the Bank. The decision of the Bank shall be final and binding upon the Borrower. The Bank may, at its sole discretion permit the Borrower to avail the credit facilities beyond expiry of tenor for such period as may be decided by the Bank from time to time.

In witness whereof, the Parties hereto have executed this Agreement on the date and at the place mentioned in the Schedule I hereinabove in the manner as hereinafter appears.

Signed and delivered by **SBM Bank (India) Limited**

By the hand of its authorized signatory

Signed and Delivered by the within named Borrower:

1._____

(Borrower Name)

---

Signature of the Borrower / Authorised Signatory

2._____

(Co-Borrowers Name)

---

Signature of the Co-Borrower / its Authorised Signatory

**DEMAND PROMISSORY NOTE**

INR: [_____]

ON DEMAND, I/We (_____) and (_____), (hereinafter referred to as the "**Borrower**") [jointly & severally][2] promise to pay to **SBM Bank (India) Limited** a company incorporated in India under the provisions of Companies Act 2013 and a Banking company incorporated under the Banking Regulations Act 1949 and who is licensed to carry on its business of banking by the Reserve Bank of India bearing CIN U65999MH2017FLC293229 having its Registered Office at 101, Raheja Centre, 1st Floor Free Press Journal Marg, Nariman Point Mumbai 400021 and inter alia, a branch office at _____ (hereinafter referred to as the "**Bank**", including its successors, novatees, transferees and assigns), the sum of INR (_____)/- (Indian Rupees (_____) Only together with interest from the date hereof, at the rate of [_____] % per annum or such other rate as the Bank may fix from time to time, payable with monthly rests, for value received.

The undersigned hereby unconditionally and irrevocably waive demand, presentment and protest of this note.

Borrower Name:

Co-borrower/s Name:

Revenue Stamp of Re. 1/- for each Borrower (Signed across the revenue stamp)

Signature:

Signature:

Place: _____
Date: _____

**LETTER OF CONTINUITY FOR DEMAND PROMISSORY NOTE**

To,

SBM Bank (India) Limited,

Dear Sir,

I/We, the undersigned have executed a Demand Promissory Note for Rs._____/ (Indian Rupees_____Only) dated_____ ("DPN") in your favour, as security for the repayment of loan facility (the "Loan") granted to

me/us, which is presently outstanding and also for the repayment of any further amounts, which I/we may avail hereafter from you. I/We hereby irrevocably and unconditionally agree, confirm and undertake that:

1. The DPN shall operate as continuing security to be enforceable for the repayment of the ultimate balance and/or all sums remaining unpaid under the Loan now or hereafter, including all interest payable under the Loan or any credit facility which may in future be advanced; and

2. I/we shall remain liable under the DPN notwithstanding payment made into the account of the Loan from time to time or the Loan being reduced or extinguished from time to time or even if the balance in the account of the Loan is in credit.

Borrower Name: Co-borrower Name:

Signature: Signature:

Place: _____

Date: _____

**FORMAT FOR END USE LETTER FROM CUSTOMER**

Dear Sirs,

**Sub: Application for Property Loan**

I/We, refer to the Application No. _____ dated _____submitted by me/us to SBM BANK (India) Limited for availing a Loan Facility (the **"Facility"**)

from SBM BANK (India) Limited, do hereby solemnly affirm and declare as follows.

The said Facility would be used for the purpose of:

| | |
|---|---|
| Personal Expense | ☐ |
| Business Expansion | ☐ |
| Education | ☐ |
| Property Purchase / Development | ☐ |
| Medical Treatment | ☐ |
| Loan Substitution | ☐ |

If for other personal need, specify _____

I hereby represent, warrant and confirm that the aforesaid purpose is a valid purpose and also agree and undertake to utilize the loan only for the above mentioned purpose and that the loan shall not be used for any purpose which is prohibited under any law for the time being in force including but not limited to investment(s) in capital market(s) and speculative purposes.

I further agree, confirm and undertake that the purpose of use of funds under the Facility shall not be changed in any manner during the tenor of the Facility; or that such change in purpose shall take place only with the prior written permission of SBM BANK (India) Limited.

I/We also declare that funds under the loan will not be used towards purchase of gold in any form, including primary gold, gold bullion, gold jewellery, gold coins, units of gold Exchange Traded Funds (ETF) and units of gold Mutual Funds, etc.

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 the loan; or that such change in purpose shall take place only with the prior written permission of SBM BANK (India) Limited.

I hereby agree and confirm that the Income Tax benefits for a housing loan under the provisions of Income Tax Act, 1961 will not be available to me in respect of the Facility being availed of for the purposes mentioned above and any other ancillary purpose(s).

I 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. Further, I/We confirm that I shall execute all the necessary documents whenever called upon by SBM BANK (India) Limited to do so, at my own cost and expenses, in order to confirm the above.

Thanking you,

Yours sincerely,

| Borrower | Co- Borrower |
|---|---|
| Name : _____ | Name : _____ |
| Signature: _____ | Signature : _____ |

Date : _____
Place : _____

**DISBURSAL REQUEST FORM (DRF)**

To,

SBM Bank (INDIA) Limited Dated:

Branch _____

Dear Sir/Madam,

This is with reference to my/our loan sanctioned by your office. Kindly disburse the loan amount in following manner: -

***Favoring 1:*** . . . . . .. . . . . .
Bank / Loan Account No: . . . . .

**CHEQUE SUBMISSION FORM**

| **Application No.** | | **LAN No.** | |
|---|---|---|---|
| Name of the Borrowers | 1.<br>2.<br>3.<br>4.<br>5. | | |

| **Sr No.** | **Cheque Nos** | | **No of Cheques** | **Cheque Dates** | | **Bank Details** | | **Nature (PDC/UDC)** | **Amount** |
|---|---|---|---|---|---|---|---|---|---|
| | **From** | **To** | | **From** | **To** | **Name** | **Branch** | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

I/We solemnly declare and say as follows:

1. I/We hereby confirm that I/We have handed over the above mentioned cheques towards repayment of EMI or security cheques for the credit facilities granted/ to be granted by SBM Bank (India) Limited **("Bank")** as mentioned above and that all the cheques are drawn in the favour of SBM Bank (India) Limited A/c Loan" and also recorded my/our name on the reverse side of the cheques.
2. I/ We agree and acknowledge that in accordance with the provisions of section 20 of the Negotiable Instruments Act ("the Act"), the Bank in the present case as the holder of the said cheques shall have the authority to complete the said cheques.
3. In addition to the express provisions of the Act as mentioned above authorizing the Bank to complete the said cheques, I/We hereby unconditionally and irrevocably authorise and confirm the authority of the Bank to complete the said cheques and I/We hereby unconditionally and irrevocably authorise and confirm the authority of the Bank to fill in the date on the said cheques and to present the same for payment.
4. I/We hereby undertake to be absolutely bound as the drawer of the said cheques so completed by the Bank and shall be liable in the same manner as if the said cheques were drawn and completed by me/us and shall ensure that the said cheques are honoured at the time of presentation of payment.
5. I/We have not given any cheque(s), other than those mentioned above and all cheques are drawn in favour of "SBM Bank (India) Ltd" and crossed as "A/C Payee Only".
6. That the Bank shall not be held responsible for any cheques left blank or drawn in favour of any name other than "SBM Bank (India) Ltd".
7. I/We agree and acknowledge that any dishonouring of the said cheques would make me/us liable including under the provisions of section 138 of the Act.

Borrower's Name :_____ Place_____

Borrower's Signature :_____ Date _____

Co-borrower's Name :_____

Co-borrower's Signature : _____

**VERNACULAR DECLARATION**

Photo of the DEPONENT

I, _____ Son /daughter of _____
aged about _____ years, residing at _____
_____
do hereby solemnly and sincerely affirm and declare as under:

**In case of disable / illiterate / vernacular * strike off if not applicable**

1. I / We has/have applied for loan granted by SBM Bank (India) Limited **("Bank")**
2. I / We confirm that the sanction letter dated _____, loan agreement dated [_____] **("Loan Agreement")** and other loan document(s) is acceptable to me/is and is/are executed by me/us.
3. I / We hereby declare and confirm that as I / We am / are ** illiterate / not literate in English / blind/ disable and I / We cannot read / sign all the terms and condition of the aforesaid Agreement and the Loan Documents as stipulated by the Bank, and the declarations and confirmations of this letter have also been read and explained to me / us by Mr. [_____] an employee of [_____] who has countersigned this undertaking, and I / We have executed the Terms and Conditions and the Loan Documents after having fully understood all the terms and conditions mentioned therein.
4. I / We hereby further declare and confirm that all the terms and conditions of sanction of the said loan of Rs. [_____] (Indian Rupees_____) only and the Loan Agreement and other loan documents and all other documents stipulated by [_____] shall be binding on me / us until the clearance of the liabilities under said loan. That the Loan Agreement and the other loan documents have been read out and explained to me in the language known to me.

I / We confirm that the details mentioned above are true and correct.

**Verification:**

DEPONENT

(Signature/Thumb Impression)

Verified at_____, this _____ day of _____ 20____ that the contents of above affidavit are correct and true to the best of our knowledge and belief and nothing has been concealed thereof.

DEPONENT

(Signature / Thumb Impression)

SIGNATURE

(Name and signature of the person who read and explained the documents)

---

Signature of co-Borrower:

Name of co-Borrower:

Executed before me: _____

**SBM Bank (INDIA) Limited**

**STANDING INSTRUCTION REQUEST**

Date: _____

From:
_____
_____

To:
SBM Bank (INDIA) Limited,

Ref: Execution of Standing Instruction

Dear Sir,

This is in reference to the_____loan of INR _____ (Rupees *(in words)* _____sanctioned to me by SBM Bank (India) Limited My loan account no. is _____ .

I, therefore, request you to please accept this authorizing mandate to debit from my SBM Bank (India) Limited savings account number _____on due date towards the recovery of repayment of dues/EMI, over the entire tenure of loan, as per the terms and conditions of loan agreement. Schedule 1 or as per the revised instructions in line with the Bank's policy.

I undertake to maintain sufficient balances to cover the loan repayment dues (& charges, if any) on the stipulated due dates. I also understand that failure to repay the dues through this standing instruction shall be treated as a default in repayment of dues and all charges/penalties, as covered by the agreement, will hold good towards the non-payment of obligations.

Please treat this as an irrevocable communication as an authorization to debit the said savings bank account every month with the amount due towards the repayment of my loan. In the event of above account getting closed/transferred for any reason, I/We will intimate to the Bank the new account opened with the bank to debit the loan repayment amount/s. Further, I/We also undertake to submit afresh set of mandate in regard to the same.

I also understand and accept that the Bank will have the right to set-off, without prior intimation to me, the available balances in the designated account for recovery of overdue instalments and/or charges (if any) in the loan account.

Thanking you,

Yours truly,

Customer Name (accounts holder/s):

Signature and account number verified

For SBM Bank (INDIA) Limited,

Name:
Employee Id:
Employee Signature:

***Key Fact Statement (Annexure 1 - Part 1 & 2 and Annexure 2 and Annexure 3) acknowledged by Borrower/s to be mandatorily attached at the end of this Agreement which shall form an integral part of the Loan Agreement and shall be read along with the terms of the Agreement***