

## HOME EQUITY LOAN AGREEMENT

This Agreement is made at the place mentioned in **Item No. I of Schedule A** and on the date specified in Item No.II of the Schedule A between Kotak Mahindra Bank Limited, a banking company within the meaning of the Banking Regulation Act, 1949, having its Registered Office at 27 BKC, C 27, G Block, Bandra Kurla Complex, Bnadra (E), Mumbai 400 051 and its branch concerned office at the address stated in **Item No.III of Schedule A** (hereinafter called "**the Bank**" which expression shall unless it be repugnant to the meaning or context thereof, mean and include its successors in title and assigns) of the **ONE PART; AND**

The person/s specified in **Item No.IV of Schedule A**, (hereinafter referred to/collectively referred to as "**the Borrower**" which expression shall, unless it be repugnant to the meaning or context thereof, mean and include his/her, their respective heirs, executors, administrators, legal representative (where the / a Borrower is an individual / Sole Proprietor), successors and assigns (where the / a Borrower is a company incorporated under the Companies Act, 1956 or any other body corporate), the partner(s) from time to time of the firm, the survivor(s) of them and the heirs, executors, administrators, legal representatives and successors of the partners (where the / a Borrower is a partnership firm), where the Borrower is the Trustees of the Trust, their successors) of the **OTHER PART;**

### WHEREAS:

- (a) The Bank is, inter alia, in the business of extending financial assistance and granting loan facilities.
- (b) The Borrower is the owner of the property (hereinafter "**Property**") mentioned in **Schedule "E"** hereto and has approached the Bank for a loan / financial assistance of the amount stated in Item No.V of Schedule A hereto, against the security of such Property, which the Bank has agreed to grant upon the terms and conditions as contained herein.
- (c) The parties hereto are desirous of recording the terms and conditions in relation to the proposed Loan to be made by the Bank to the Borrower and certain other matters related thereto in the manner hereinafter contained.

### Article 1

#### DEFINITIONS AND INTERPRETATIONS

1.1 In this Agreement, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings viz:

- a) "**Adjustable Rate of Interest**" when applicable to the Loan, shall mean the variable rate of interest applied to a Loan on the terms and conditions as more particularly mentioned in Schedule C hereto and on the terms and conditions as may be specified in the Sanction **Letter**.
- b) "**Application**" means the application made by the Borrower in the form specified by the Bank for a Loan and where the context so requires, all other information submitted by the Borrower to the Bank with a view to avail the Loan.

- c) **“Credit Information”** means all information, documents, representations, particulars and clarifications furnished by the Borrower, or the Guarantor to the Bank in any form from time to time and shall include the information contained in the Application.
- d) **“Combo Rate of Interest”**: when applicable to the loan shall mean the combination of Fixed Rate of Interest and the Adjustable Rate of Interest applied to the loan as set out in **Schedule D** hereto on terms and conditions more particularly mentioned therein.
- e) **Credit Eligibility Letter**: shall mean a letter issued by the Bank to the Borrower specifying the Overall Limits and/or any variations there to from time to time prior to the actual sanction of the Facility/ies to the Borrower; which shall be deemed sanctioned only upon issuance of the Sanction Intimation Letter/Sanction Letter or actual disbursement by the Bank (whichever is earlier).
- f) **“Commitment Charges”** shall mean a one time commitment charge leviable by the Bank on the Borrower at the rate mentioned in the Item No. VIII of the Schedule-A on the unutilized amount of the Loan or non-compliance of any terms & condition agreed in this agreement.
- g) **“Dues”** means all amounts payable by the Borrower to the Bank under this Agreement which includes the principal amounts payable towards the repayment of the Loan, Interest, additional interest, fees, commitment charges, costs, other charges and expenses including without limiting only EMI / Monthly installment and/or PEMII.
- h) **“Due Date”** means the date on which an installment of the principal amount of the Loan and/or interest and/or EMI/Monthly Installment and/or any other amount and/or Dues payable under this Agreement, as the case may be, is due for payment under any Schedule or Article of this Agreement.
- i) **“EMI” or “Monthly Installment”** when applicable to the Loan, shall mean the Equated Monthly Installment payable by the Borrower on a monthly basis to amortize the Loan, of such amount as may be determined by the Bank from time to time under this Agreement and comprises of both principal amount of the Loan and interest thereon.
- j) **“Facility Letter”** shall mean the letters issued / to be issued by the Bank from time to time in connection with the Loan and includes, as the case may be, the Credit Eligibility Letter, the Sanction Letter, the Sanction Intimation Letter(s), all addendums, supplements etc. thereto issued by the Bank from time to time.
- k) **“Fixed Rate of Interest”** when applicable to a Loan, shall mean the fixed rate of interest payable on the Loan as more particularly set out in Schedule B hereto and on terms and conditions as contained therein.
- l) **“Guarantee”** means the guarantee (if any) given by the Guarantor to discharge the liability of the Borrower in case of his/her/its/their default under this Agreement.
- m) **“Guarantor”** means the person/s who has/have given the Guarantee and where such person/s is/are individual/s, it would include his/her, its, their heirs, executors, administrators and legal representatives and where such person/s is/are a partnership firm, it would include the partners for the time being and their respective heirs, executors, administrators and legal representatives, and where such person is/are corporate, it would include its successors and assigns; The Guarantor shall always be a person/s acceptable to the Bank as the Guarantor.
- n) **“Indebtedness of the Borrower”** means any indebtedness of the Borrower to the Bank at any time for and in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, bond, credits, deposits, hire purchase and leasing by the Borrower or by a person or entity related to or connected with the Borrower); and shall also be deemed to include any indebtedness of any co-borrower, associate or affiliate of the Borrower or any entity related to or connected with the Borrower, towards the Bank or any associates or affiliates of the Bank.
- o) **“Interest”** means the rate of interest as referred to in item No.VI of Schedule A hereto read with the relevant terms of Schedule B or Schedule C or Schedule D, as the case may be or as announced and amended by the Bank from time to time as per this Agreement
- p) **“Loan”** means the amount of the financial assistance provided under this Loan Agreement as more particularly mentioned in Item No.V of Schedule A hereto.
- q) **“Maximum Tenure”** shall mean the period determined from time to time in accordance with the policy of the Bank which is the maximum tenure offered by the Bank to a customer / borrower.
- r) **“Overall limits”** shall mean the amounts determined by the Bank in its sole judgment, based on the credit worthiness, net income and evaluation by the Bank of financial and other parameters relating to the Borrower and/or the Security, up to which the Bank may (but without being in any manner obliged or bound to) sanction and disburse the Loan.
- s) **“PEMII/Pre-MI”** means the pre-EMI interest or the pre-Monthly Installment Interest charged by the Bank, at the rate stated in item No.VI of schedule A hereto read with the relevant Schedule B or C or D, as the case may be, for the period from the Disbursement Request Date of the Loan to the date immediately prior to the commencement of EMI/Monthly Installment.

- t) **"Property"** means the immoveable property more particularly described in Schedule E hereto and includes:
  - (i) In the case of a flat, the entire built-up area (and any addition thereto), the proportionate share in the common areas of the building in which such flat 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, including any open/covered garage spaces specifically allotted to such flat.
  - (ii) In the case of an Individual house, the house and entire plot of land on which the house is situated or on which the house will be built up including all easement rights.
  - (iii) In the case of a plot of land, the land without cancellation / termination / exchange of any easement right attached with it.
  - (iv) All furniture and fixtures contained in the Property, (if any).
  - (v) Any other immovable property as described in Schedule E including entire built-up area, proportionate land and all other rights attached to such property.
- u) **"Sanction Letter /Sanction Intimation Letter"**: shall mean a letter issued by the Bank to the Borrower sanctioning the limits for individual Facility/ies not exceeding the Overall Limits and includes Sanction Intimation Letter and the Facility/ies shall be deemed sanctioned only upon issuance of the Sanction Letter/Sanction Intimation Letter or disbursement (whichever is earlier) by the Bank.
- v) **"Security/ies"** shall mean the security over the Property as may be created or agreed to be created by the Borrower in favour of the Bank in manner mentioned in this Agreement and such other security as the Bank may require from time to time to secure the payment of the Dues by the Borrower to the Bank and/or the performance of the engagement under this Agreement by the Borrower.
- w) **"This Agreement"** means this Loan Agreement executed by the parties including all the schedules and annexure hereto any amendment or modification thereof that may be executed by the Parties here in from time to time. It shall also include the Application submitted by the Borrower to the Bank for grant of the Loan and The Facility/sanction Letter issued by the Bank to the Borrower.
- x) **"Tax"** means all taxes, levies, imposts cesses, duties and other forms of taxation including (but without limitation) Value Added Tax, Service tax, Goods and Services tax 'GST' any other tax which are applicable or may be applicable on any future date, corresponding to the assets, securities, loan, or any other charges or benefits under this Agreement and includes any interest including (overdue interest), surcharge, penalty or fine in connection therewith which may be payable.

**1.2** In this Agreement, unless the context otherwise requires:

- a) words denoting the singular number shall include the plural and vice versa;
- b) the pronouns "he", "she", "It" and their cognate variations are used as inter changeable and should be interpreted in accordance with the context;
- c) heading and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- d) reference to the Word "include" or "including" shall be construed without limitation;
- e) reference to any party to this Agreement or any other Agreement or deed or other instrument shall include in case of individual his/ her heirs, executors, administrators and permitted assigns in case of a company its successors or permitted assigns; in case of Partnership firm the partner(s) from time to time of the firm, the survivor(s) of them and the heirs, executors, administrators, legal representatives and successors of the partners;
- f) reference to an article, clause, paragraph or Schedule is, unless indicated to the contrary, a reference to a article, clause, paragraph or schedule of this Agreement and all schedules attached or that may be attached to this Agreement shall form an integral part thereof;
- g) "Amendment" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to construed accordingly;
- h) "Encumbrance" includes a mortgage, charge, lease, pledge, hypothecation, security interest or lien of any description whatsoever.

**1.3** If there is more than one Borrower mentioned in Item No .IV of the Schedule A hereunder written, wherever the context so requires, the word 'Borrower' shall be construed as "Borrowers" and the grammar and construction of every concerned sentence shall be deemed to be appropriately amended so as to indicate more than one Borrower. Similarly, if there is more than one Guarantor, wherever the context so requires, the word "Guarantor" shall be construed as "Guarantors" and the grammar and construction of every connected sentence shall be deemed to be appropriately amended so as to indicate, more than one Guarantor/s;

**1.4** The terms and expressions not herein defined shall where the interpretation and meaning have been assigned to them in terms of the General Clauses Act 1897, have that interpretation and meaning.

**1.5** References to the masculine gender include references to the feminine gender and the neuter gender and vice-versa.

**ARTICLE 2**  
**LOAN AMOUNT, INTEREST ETC.**

**2.1 Amount of the loan**

The Borrower agrees to borrow from the Bank and Bank agrees to lend to the Borrower upon the terms and subject to the conditions mentioned in this Agreement, the Loan of an amount stated in Item No. V of Schedule A.

**2.2 Interest**

The Borrower may opt for either the Fixed Rate of Interest or the Adjustable Rate of Interest or Combo Rate of Interest consistent with the choice made by the Borrower in terms of the Facility Letter. Such option shall be specifically indicated by acceptance of the Facility/Sanction letter/ticking the correct under Item No.VI of Schedule A hereunder written.

(a) In the event, the Borrower opts for the Fixed Rate of Interest offered by the Bank, the rate of interest applicable to the Loan and the terms applicable to such Fixed Rate of Interest, in addition to the general term stated in this Agreement, Facility Letter are as stated in Schedule- B.

Notwithstanding the above, in the event of any extraordinary or unforeseen changes in the money market conditions, the Bank shall in its discretion be entitled to change the said Fixed Rate of Interest with intimation to the Borrower. The Bank shall be the sole judge to determine whether such conditions exist or not.

(b) In the event, the Borrower opts for the Adjustable Rate of Interest offered by the Bank, the rate of interest applicable to The Loan and the terms applicable to such Adjustable Rate of Interest, in addition to the general terms stated in this Agreement, Facility Letter, are as stated in Schedule-C.

(c) The Bank may in its discretion, also offer fixed cum floating ("**Combo**") interest rates on the Loan and if the Borrower has opted for such dual rate of interest at the time of his/her acceptance of the Sanction Facility Letter, In the event the Parties agree that the Borrower shall be entitled to the Combo Rate of Interest offered by the Bank, the rate of Interest applicable to the Loan and the terms applicable to such Combo Rate of Interest, in addition to the general terms stated in this Agreement, Facility Letter are as stated in Schedule-D .Then the rate of interest applicable to the Loan and the terms applicable to such dual rate of interest shall be as described in the Sanction/Facility Letter, which terms shall by reference herein, be deemed to be part of this Agreement. In such cases, the aforesaid provisions of the Sanction Facility Letter on the terms applicable to such dual rate of interest shall apply notwithstanding any term to the contrary here in.

(d) Notwithstanding the above, in the event of any extraordinary or unforeseen changes in the money market conditions, the Bank shall in its discretion be entitled to change the fixed rate of interest forming part of the Combo Rate of Interest, with Intimation to the Borrower. The Bank shall be the sole judge to decide whether such conditions exist or not.

(e) The Borrower shall also be liable to pay the PEMII, if applicable.

(f) Interest shall be computed at monthly rests on actual outstanding balance of the Loan at the beginning of the EMI cycle date. In case the Borrower makes a part-payment in the middle of a month, then the outstanding amount on which interest will be computed for the remaining number of the days of that month, shall be revised, on and from the date of realization of such part-payment. The Borrower hereby agrees and confirms that in order to work out suitable EMI/Monthly Installment to be paid by the Borrower towards Repayment of the Loan and payment of Interest, the Bank has adopted a reasonable and proper basis and the Borrower agrees to pay EMI/Monthly Installment calculated as aforesaid.

(g) The Borrower agrees that in the case of any variation, adjustment in the rate of interest as per this Agreement, the EMI/Monthly Installment amount of the Loan shall be kept as agreed at the time of execution of this Agreement and the number of EMI/Monthly Installments and tenure of the Loan shall vary accordingly. In case of extension of the tenure of the Loan due to such revision of rates, beyond the levels acceptable to the Bank, Borrower may if so required by the Bank, increase his EMI/Monthly Installment/make part payment/combination of both to ensure that the repayment period is well within the acceptable tenure.

(h) The Borrower agrees that no intimation shall be given by the Bank as to enhancement or reduction in the amount of the installment payable, enhancement or reduction in the amount/number of EMIs/Monthly Installments required to be paid by the Borrower upon any adjustment in the rate of interest. Provided however that the Borrower shall be intimated about the applicable/ applied adjustment in the rate of interest during the preceding financial year on an annual basis, within such time from the end of the financial year as the Bank may determine.

(i) Any default by the Borrower in payment of the Dues or a breach of any of the other terms and conditions contained herein, would result In Substitute Interest being charged to the Borrower at the rate mentioned in Item No. VII of Schedule A hereunder written on the entire Dues (Which are due and not paid), leviable from the relevant due date on which the default has occurred till the date of actual payment/ rectification of default. The same shall be without prejudice to the Bank's other rights and remedies also. Also it is hereby clarified that the obligation to pay the substitute interest shall not entitle the Borrower to claim a defense that no event of default as mentioned hereunder has occurred.

- (j) Interest on the Loan will begin to accrue in favour of the Bank and shall be payable by the Borrower as and from the date of first disbursement of the Loan (i.e. from the date of credit to the account of the Borrower or date of the Demand Draft prepared by the Bank), irrespective of the time taken for transit/collection/realizations of the Loan amounts by the Borrower or any person on his behalf.
- (k) Without prejudice to the Bank's other right, interest as aforesaid and other amounts payable by the Borrower shall be charged/ debited to the Borrower's loan account on the respective Due Date thereof and shall be deemed to form part of the outstanding Loan. Such interest and other amounts shall accordingly attract a higher interest rate on the Loan in terms of this Agreement until payment thereof.
- (l) The rate of interest Indicated in the Schedules is the rate of interest as on the date of this Agreement. Provided further that, from time to time, the Bank may at its discretion, alter or revise the rate of interest mentioned in the Schedule. The Borrower is deemed to have notice of the revision/change of the rate of interest due to changes in the Base Rate whenever such change in the Base Rate is either through email sent on the registered Id with the Bank, through SMS, letter or made through any entry of changes in the statement of account that is obtained from time to time, or put up on the website of the Bank or displayed in any of the branches of the Bank. Consequent to the notification by the Bank of the variation in the rate of interest, in the event the Bank does not receive any written intimation from the Borrower (s) within 15 (fifteen) days from the date of such notification by the Bank, opting to repay the Loan in full and all other sums of monies due thereupon, such that there shall be nil Dues of the Borrower to the Bank or if after having so stated, the Borrower fails to clear all the outstanding Dues within a further period of 15 (fifteen) days there from, it shall be deemed that the Borrower has agreed and acknowledged the rate of interest so revised and then prevailing and from such date, the revised rate of interest shall be charged on the Loan and all other terms and conditions here of shall continue to be applicable to such Loan.

### **2.3 Details of Disbursement/purpose of Loan**

- (a) The Bank shall disburse the Loan in one lumpsum or in suitable installments as may be decided by the Bank subject to the fulfillment of Condition Precedent as set out in Article. 4. The aforesaid decision of the Bank in this regard shall be final and binding on the Borrower
- (b) The Loan shall be used exclusively for the purposes mentioned in Item No. XV of Schedule A hereto and for no other purpose

### **2.4 Taxes and other charges and expenses**

The Borrower and/or the co-borrower agree and undertake to promptly (and in any event within 7 days of being so required by the Bank) pay (a) all present and future taxes which may include any duties, expenses and other charges whatsoever in relation to this Agreement, the property/Asset (s) and or/the Securities, or any or any other charges or benefits under this Agreement including interest (including overdue interest) penalty and (b) all other charges, costs and expenses from time to time specified by the Bank ( including all costs and expenses incurred or paid by the Bank) in relation to this Agreement and/or any Security including those incurred for possession/repossession and/ or sale of any Property/Asset (s) and/ or any Security and/or for recovery of the Loan Balance or any part thereof including any costs incurred or claims suffered by the Bank in connection with the Loan, including on account of execution and stamping of this Agreement and any other documentation or security created pursuant to this Agreement. If the Bank in its discretion or in terms of any statutory requirement makes such payments, the Borrower and/or the co-Borrower undertake to pay the Bank within 7 days of being informed by the Bank of the same, along with interest thereon at the rate mentioned in the Schedule/s in respect of the Loan. In particular, the Borrower and/or the co-Borrower agree and undertake to pay the charges, costs and expenses listed in this Agreement within 7 days of the date of this Agreement.

It is hereby agreed between the parties that in the event of the default by the Borrower and the co-borrower, the Guarantor also shall be liable to pay any tax on assets, securities, loan or any other charges arising in relation to this Agreement which otherwise would have been payable by Borrower and Co- Borrower.

### **2.5. Disbursement**

- a) Disbursement of the Loan may be made directly to the Borrower or in favour of any other person specified by the Borrower or in any other manner as the Bank may deem fit at its sole discretion. All such disbursements shall be deemed to have been made to the Borrower.
- b) Disbursement shall be deemed to have been made to the Borrower on the date of the Cheque or Demand Draft or Payment advice, as the case may be, under which such disbursement shall have been made, irrespective of the date on which the disbursement may have been received by or on behalf of the Borrower.
- c) The Borrower hereby agrees that this loan shall not be treated as any Cash Credit facility irrespective of the part disbursement having being taken by the Borrower or released by the Bank under this Agreement and the Bank shall not be responsible in case of any loss to the Borrower because of non-release of further disbursement by the Bank under this Agreement.
- d) The Borrower shall, on or before the disbursement of the Loan, pay to the Bank, all expenses (including legal costs of the legal counsel engaged by the Bank for such purpose), on a full indemnity basis, incurred and/or to be incurred by the Bank for investigation of title to property offered as Security and for the preparation, execution, preservation, performance enforcement and investigation of the Loan, Security documents and other instruments creating and/or evidencing the creation of the Security as also any other instruments required in connection with the Loan.

## 2.6 Alteration in Loan Tenure EMI/Monthly Installment etc.

- a) If the entire amount of the Loan is not drawn by the Borrower within a period of 12 (Twelve) months from the date of first disbursement or if the Borrower has committed any event of default as described in this Agreement prior to the full disbursement of the Loan or Borrower has requested to the Bank in writing to reduce the sanctioned amount, then without prejudice to the other rights and remedies of the Bank, the aggregate amounts so far disbursed to the Borrower up to such date, at the discretion of the Bank, without any prior intimation, shall be deemed to be the Loan amount and the Bank shall not be required to advance any further amounts and the EMI/Monthly Installment shall commence forthwith. In such case irrespective of the Loan amount as mentioned in Item No V of Schedule A the amounts advanced so far shall be deemed to be the Loan for the purpose of this Agreement.
- b) In any of above events, no part of the processing fees or administrative fees shall be refunded or adjusted towards any other charges or fees in future payable to the Bank by the Borrower (s).
- c) In the event of the Borrower being desirous of shifting from the (i) Fixed Rate of Interest to the Adjustable Rate of Interest; or (ii) Adjustable Rate of Interest to the Fixed Rate of Interest, The Borrower may do so if so permitted by the Bank at such time and on execution of such supplemental documents as may be required by the Bank and further on payment of conversion charges of 1% of the Outstanding Dues.
- d) The Bank shall in its absolute discretion or as per the guidelines / directions / rules / regulations / law issued/notified by RBI and/or any other statutory or regulatory authority and any other law in force including but not limited to, any tax law or introduction of new method of computation of interest or based on the changes in the prevailing base rate/MCLR rate be entitled to modify the Interest Rate(s) (including Default Interest Rates) / Commission/other charges (including Default Interest) applicable to the Facilities/Individual Facility from time to time, and the Borrower agrees and confirms to pay interest as per such modified Interest Rate(s) / Commissions / other charges on the Facilities / Individual Facility and related amounts on and from the date of such modification. In any event the Borrower shall keep itself / himself informed of all such variations / revisions in the Interest Rate / Commission / other charges (including Default Interest) applicable to the Facilities / Individual Facility from time to time and a publication either in the Bank's website or in the newspaper or on the notice board by the Bank in relation to new / revised Interest Rate (s) / Commissions / other charges (including Default Interest) applicable to the Facilities/Individual Facility from time to time shall be deemed to be sufficient notice of such intimation of change and the Borrower will be deemed to have consented to such change. The Borrower has perused, understood and agreed to Bank's method of determining the Interest Rate / Commission from time to time as well as of calculating installment(s) as also the appropriation thereof in to principal and interest.
- e) Notwithstanding anything herein contained, the Bank shall have the right, at any time or from time to time, to review and reschedule the EMIs / Monthly Installments, (including the amount of the EMIs/Monthly Installments), tenure or the Loan amount, to enhance or reduce the amount of EMI s / Monthly Installments payable to give the effect of reduction in the base rate in the EMIs without reducing the tenor of the loan, in such manner and to such extent as the Bank may in its sole discretion decide on account of changes necessitated because of any part payment made by the Borrower or changes in the interest rate (if the option of Adjustable Rate of Interest is availed of by the Borrower ) or conversion by the Borrower from one interest rate to the other. In such event/s the Borrower shall repay the Loan or the outstanding amount thereof as per the revised Schedules as may be determined by the Bank in its sole discretion and intimated to the Borrower in writing. Where such alteration or re-Schedulement involves variation in
  - i. the date for payment of EMIs/Monthly Installments; or
  - ii. the amount of interest, principal or EMIs/Monthly Installments; or
  - iii. the numbers thereof; or
  - iv. the EMI/Monthly Installment is not adequate to cover interest payments in full; or
  - v. the EMI / Monthly Installment results in the term of the Loan exceeding the retirement age of the Borrower (s) as applicable.
  - vi. for any other reason EMI/Monthly Installment attracts change.

The Borrower agrees and undertakes to forthwith issue fresh post dated cheques, Fresh Standing Instruction (SI) or fresh instruction for Electronic Clearance System (ECS), as the case may be. The Borrower hereby agrees that in the event the Monthly Installment is reviewed/ rescheduled/ by the Bank as aforesaid, the Borrower shall be liable to pay rescheduling charges to the Bank at such rates as the Bank may stipulate.

## 2.7 Mode of Payment, Time, Place etc.

- a) The Borrower shall pay promptly in full the PEMII, EMI/ Monthly Installment and all other amounts payable under this Agreement without any demur, protest or default and without claiming any set-off or counterclaim, on the respective dates on which the same are due. All such payments shall be rounded off the next rupee.
- b) Payment can be made through cheque/s, bank draft/s, pay order/s, standing instruction/s, ECS or in such other manner as may be approved by the Bank and the payment shall be made in such manner so as to be realized by the Bank on or before due dates applicable. It shall be the responsibility of the Borrower to ensure adequacy of funds in the bank account from which the repayment is being made.



- c) In the event the Bank so requires, the Borrower shall provide to the Bank such cheques as the Bank may require including inchoate instruments under section 20 of the Negotiable Instruments Act, 1881 with authority with the Bank to fill the same.
- d) No cash payment to or payment in the name of any Direct Marketing Associates/Agent (DMA), Direct selling Agent (DSA) appointed by the Bank shall be made and if any payment is made, the Bank shall not be responsible to take due account of the same.
- e) At the discretion of the Bank, the Borrower may issue standing instructions in the format prescribed by the Bank in which the Borrower has an account, to debit the account of the Borrower every month and credit such account as directed by the Bank, for the value of the EMI / Monthly Installment / payment due.
- f) At the discretion of the Bank and if the employer of the Borrower agrees in writing, the Borrower may also make the payment of the amount due and payable under this Agreement directly from his salary by instructing and authorizing his employer to deduct the payment from his salary and making payment thereof to the Bank. In such case, the Borrower shall execute and provide such documents as may be required by the Bank from time to time. The Borrower agrees to pay interest at the substituted rate of interest in Item No. VII of Schedule A for the late payment from the employer if any, irrespective of any circumstances for delay. The Bank shall be entitled to discontinue such arrangement for payment at any time by giving a written notice to the Borrower and the employer, in which case the Borrower shall submit PDCs within 7 days from receipt of such notice, in such manner as may be required by the Bank.
- g) In case, the Borrower makes the payment of due amount at any other office or branch of the Bank, which the Bank may accept at its sole discretion, the Borrower shall immediately in form the Concerned Branch of the Bank in Writing.
- h) Only on realization of the amounts due by any mode as above, the Bank shall credit the account of the Borrower.
- i) In the event of the Borrower availing the Loan partially and/or avilment of full disbursement is delayed by the Borrower, the Bank shall nevertheless be entitled to encash the PDCs on the Due Date and/or act upon standing instructions to debit the account of the Borrower through electronic clearing systems or salary deduction, as the case may be, towards repayment of the Loan availed partially.
- j) In case any amount is paid by the Borrower or any amount is received / realized/ recovered from the Borrower, then the same shall be adjusted/ appropriated in following order without any prior intimation to the Borrower:
  1. Costs, charges, expenses, incidental charges and other monies that may have been expended by the Bank in connection with this Agreement.
  2. Towards other Indebtedness of the Borrower to the Bank.
  3. Additional interest, and /or liquidated damages on defaulted amounts under this Agreement.
  4. Prepayment charges, commitment charge and fees under this Agreement,
  5. PEMII
  6. EMI / Monthly Installment
  7. Interest
  8. Principal amount of the Loan under this Agreement.
- k) Notwithstanding the above, the Bank may, at anytime during the subsistence of this Agreement and in its sole discretion, have an Escrow arrangement in place in such format as the Bank may deem fit, to receive all payment under this Agreement from the Borrower. The Borrower hereby agrees and undertakes that it shall, upon receipt of Intimation from the Bank in this regard, enter into such agreements, arrangements and other documents as the Bank may require for the aforesaid purpose and shall thereafter, unless it receives a contrary instruction from the Bank, make all payments to the Bank under this Agreement through such Escrow arrangement

## **2.8 Pre-Payment of the Loan**

- a) Subject to the provisions contained in this clause 2.8, the Borrower shall be permitted to make part or full prepayment of the Loan. Provided that the Borrower shall not be entitled to make any prepayment during the lock-in period as provided in Item No. XII of Schedule A from the date of first disbursement. All the terms and conditions of prepayment are contained in Item No. XII of Schedule A
- b) The minimum and maximum amount for prepayment and time duration between each prepayment, notice and charges payable for each such prepayment shall be as mentioned in Item No. XII of Schedule A and the same may be changed by the Bank from time to time.
- c) If the Borrower makes any prepayment without fulfilling the conditions determined by the Bank, the Bank shall be entitled to appropriate the same in such manner as it deems fit and the Bank will give the Borrower credit for the same only on due date and not before.
- d) Full prepayment of the Loan would not be permitted unless the Borrower makes payment of the charges mentioned in Item No. XII of Schedule A hereto and under this Agreement.
- e) For any part or full prepayment, borrower will have to give a prior notice of 15 days to the Bank

**2.9 Commitment Charges**

The Borrower shall pay to the Bank a one time Commitment Charge at the rate mentioned in the Item No VIII of the Schedule-A on the principal amount of the Loan. Such payment shall be made forthwith upon being called upon by the Bank.

**2.10 Joint and Several liabilities of the Borrower(s)**

Where the Loan is provided to more than one Borrower, notwithstanding anything herein stated, the liability of the Borrower(s) to repay the Loan together with the principal, interest, additional interest charges and all other amounts and to observe the terms and conditions set out in this Agreement is joint and several.

**2.11 Cross Default**

The Borrower agrees, confirms and acknowledges that any default by the Borrower under any other Agreement or arrangement or guarantee or security or other Indebtedness of the Borrower with the Bank or its subsidiaries/affiliates shall constitute an event of default under this Agreement and vice-versa. The said amounts shall be deemed to be Dues under this Agreement secured by the Security and vice-versa.

**2.12 Set Off**

Without prejudice to what is stated here in above, the Borrower hereby expressly agrees and confirms that in the event of the Borrower(s) failing to pay the amount outstanding under the Loan or any other loan/facility, in addition to any general or similar Lien to which the Bank or any of its subsidiary/affiliates may be entitled by law, the Bank shall, without prejudice to any of its specific rights under any other Agreements with the Borrower, at its sole discretion and without notice to the Borrower, be at liberty to apply any other money or amounts standing to the credit of the Borrower in any account (including fixed deposit account) of the Borrower (Whether singly or jointly with another or others) with the Bank or any of its subsidiary/affiliates in or towards payment of the Dues. The rights of the Bank under this Agreement are in addition to other rights and remedies (including without limitation other rights or set off) which the Bank may have.

**2.13 Terminal Benefits**

The entire outstanding principal amount of the Loan as well as any outstanding interest and other amounts thereon shall be payable immediately by the Borrower to the Bank, if the Borrower opts for any retirement scheme or accepts any offer from his employer providing any benefit on resigning or retiring from the employment prior to superannuation or upon the employer terminating his employment for any reason or upon the Borrower resigning or retiring from the service of the employer for any reason whatsoever. In such case, the outstanding dues may be paid from the amount or amounts receivable by him from the employer under such scheme or offer or any terminal benefit as the case may be. Provided however, in the event of the said amount or amounts being insufficient to repay the said sums to the Bank in full, the unpaid amount remaining due to the Bank shall be paid by the Borrower forthwith. The Borrower authorizes the Bank to communicate with and receive the said amounts from the Borrower's employer directly.

**2.14 Recall of the Loan by the Bank**

The Borrower agrees that the Bank shall be entitled to, at anytime, in its discretion, recall the Loan by giving to the Borrower thirty clear working days notice in writing. It is specified that the repayment schedule set out in the Schedule(s) hereto is without prejudice to the Bank's right to recall the entire Loan and to demand payment of the Loan. Upon the expiry of the period of notice, the Loan shall immediately stand repayable by the Borrower to the Bank.

**ARTICLE-3**

**COVENANTS FOR SECURITY**

- 3.1**
- (a) The Borrower covenants that the Dues being repayment of the Loan and payment of interest, additional/default interest, fees, commitment charges, costs, other charges and expenses and all other amounts payable to the Bank under this Agreement shall be secured or cause to be secured by (i) such security as mentioned under item No. XV of Schedule A, (ii) such other security as determined by the Bank in its sole discretion.
  - (b) The Bank shall have the right to prescribe the type of security and the place, timing and the manner of its creation. Such security shall be created prior to the disbursement of the Loan and the Bank shall not be required to disburse the Loan until and unless such security has been created.
  - (c) The Bank may during the term of this Agreement also require for the Borrower to create additional security and the Borrower undertakes to create or cause to create such additional security as and when called upon by the Bank. Without prejudice to the generality of the above, the Borrower shall create such additional security (a) in the event of the Dues being more than the market value of the Security or otherwise in accordance with the margin requirements of the Bank; and (b) in the event of destruction or damage or depreciation or fall in value of any Security given to the Bank or the title of any such Security being unclear, unmarketable or encumbered in the opinion of the Bank or affecting the value of the Security in any manner whatsoever.
  - (d) The Borrower shall also procure Guarantee of the Guarantor/s named in Item No. XIII of Schedule A hereto, for the payment of the Dues being Repayment of the Loan, payment of interest, additional interest, Fees, commitment charges, costs, charges and expenses and all other amounts payable to the Bank under this Agreement.
  - (e) The Borrower shall as and when called upon by the Bank, during the term of this Agreement, execute and deliver to the Bank such Irrevocable Power of Attorney in the format of the Bank empowering the Bank to crate Security for the payment of the Dues, as stated aforesaid in sub-clause (a), (b) and (c).

KMBU/HF/AGE-03



- (f) The Borrower shall execute such bond(s), Promissory notes in favour of the Bank for the payment of the Dues as required by the Bank. Further the Borrower shall also execute and deliver such other documents, writings, Power of Attorney and agreements as may be required by the Bank.
- (g) The Borrower shall execute in favour of the Bank post dated cheques of such amounts and numbers as intimated by the Bank for repayment of the Dues.
- (h) Any benefit or sums accrued under any additional/collateral security provided/assigned to the Bank to secure the Dues being the Repayment of the Loan and payment of interest, additional interest, fees, commitment charges, costs, charges and expenses and all other amounts payable to the Bank under this Agreement or any addendum, supplemental agreement thereto, shall be credited in such manner towards the Dues unless the Bank decides otherwise. The Borrower shall be responsible to intimate to the Bank 15 Days in advance in writing about the maturity date, accrual date or due date of any such additional / collateral security.

### **3.2 Continuing Security**

All Securities (that may be created or cause to be created) and Guarantees furnished by the Borrower to the Bank shall remain a continuing security to the Bank and shall not be discharged by intermediate payment by the Borrower or any settlement of accounts by the Borrower and shall be in addition and not in derogation of any other security which the Bank may at any time hold in respect of the Dues and shall be available to the Bank till all the Dues are paid and the Securities are expressly released by the Bank.

### **3.3 Release of title deeds**

The Bank reserves the right to retain the title deeds of the property, that was or as shall be deposited with it as security for the Dues, until the Borrower(s) fully repays the Loan in entirety and completes the discharge of his/her obligations under this Agreement or under any other agreement/obligation with any of the divisions/affiliates/associates of the Bank.

### **3.4 Insurance for the Security**

- a) The Borrower at his risk, responsibility and expense, shall keep in good condition and fully insured, the Property (ies) / assets described in the schedule and offered as security for the repayment of the Loan, against fire and other customary risks and hazards for the full value of the Loan or as may be required by the Bank, with an insurance company acceptable to the Bank and the Bank shall be made a sole beneficiary of such policy. In the event of failure by the Borrower to insure the Property to the satisfaction of the Bank, the Bank shall be entitled to, though not under any obligation to, cause the property to be insured with an insurance company for all risks that the Bank may in its sole discretion, deem fit and to debit the insurance charges to the Loan account of the Borrower.
- b) As sole beneficiary of the policy in the event of loss/damage to the security, the Bank shall be entitled to receive all moneys payable under any such insurance or under any claim made thereunder and to give a valid receipt thereof and the Borrower shall not dispute any decision of the Bank for his liability for the balance remaining due and payable by him, after receipt of such insurance proceeds.

## **ARTICLE 4**

### **CONDITIONS FOR DISBURSEMENT**

- 4.1** The obligation of the Bank to make any disbursement under this Agreement shall be subject to the following condition;
  - (a)** Credit Worthiness of the Borrower: The Borrower meets the Bank's requirement of credit worthiness. The Bank shall be entitled to make or cause to be made inquiries as the Bank may deem fit to assess the credit worthiness of the Borrower.
  - (b)** Property; The Borrower shall ensure that the documents of title produced are genuine and having a marketable title with regard to the property proposed to be mortgaged. The Borrower shall submit to the Bank, a copy of the sanctioned plan of the lay-out and the building along with the application and execute an affidavit-cum-undertaking as may be required by the Bank.
  - (c)** Non-existence of event of default: No event of default as defined in this Agreement shall have happened.
  - (d)** Extra ordinary Circumstances: No extra ordinary or other circumstances shall have Occurred which in the sole opinion of the Bank may make it improbable for the Borrower to fulfill any of these terms and Conditions.
  - (e)** Pending Legal Proceedings: The Borrower shall have disclosed to the Bank about any action, suit proceedings, winding up/insolvency proceedings or investigation pending initiated against him/her/it.
  - (f)** Utilisation of Borrower's contribution: The Borrower shall have arranged for the remainder funds required for the purpose for which the Loan is being availed (i.e. the cost of the Property less the Loan). The Borrower shall not borrow the same from any other person.

- (g)** Evidence for Utilisation of Disbursement: The Bank should be satisfied at the time of making any disbursement that the same is required for the purpose as mentioned in Schedule A and as stipulated by the Borrower and the Borrower shall procure evidence satisfactory to the Bank of the proposed utilization of the proceeds of the disbursement of the Loan.
- (h)** Utilisation of prior Disbursement: The Borrower shall have satisfied the Bank about the utilization by the Borrower of the proceeds of any prior disbursements, if any.
- (i)** Guarantees / Securities etc: The Borrower shall have provided and executed such Guarantee/s, Security, necessary documents, writings and hand over post dated cheques, as may be required by the Bank.
- (j)** NRI/PIO etc: where the Borrower is a Non Resident Indian or Person of Indian Origin as per the provisions of the Foreign Exchange Management Act, 2000 or other law in force in India relating to foreign exchange, the Borrower shall have obtained all permissions, authorizations, approvals, sanctions and fulfilled all conditions prescribed therein as may be required for borrowing and creation of security.
- (k)** The Borrower shall have obtained insurance cover on the property as is acceptable to the Bank.

## **ARTICLE 5 COVENANTS**

### **5.1 Affirmative Covenants**

The Borrower hereby covenants with the Bank that:

- a)** The Borrower shall utilize the Loan for the purpose for which the loan is availed of.
- b)** In case the property which forms the security is under construction, the Borrower will obtain and produce to the Bank a proper true copy of occupation / completion certificate issued by the competent authority and a written notice about the completion of the construction within a period of 12 months or such other period from the date of final disbursement as may be specified by the Bank. In case the Property against which the Loan is availed is under construction and for which Society/other organization is not formed, the Borrower shall upon formation of the Society/other organization inform the society/other organization about the Loan granted by the Bank to the Borrower against the Property and if required by the Bank obtain necessary confirmations from the society/other organization.
- c)** The security shall vest absolutely in the Borrower and the Borrower shall cause to do all such act, deed, matter and thing which shall be necessary to vest the Security absolutely in the Borrower.
- d)** The Borrower shall notify the Bank of any change in the terms or place of employment, business or profession of the Borrower within seven days of such change.
- e)** The Borrower (only in the case of individual and partners) shall at all times during the currency of the Loan, at its own cost, obtain Life Insurance Policy / ies and such other policies (where in the Bank will be a loss payee/beneficiary/assignee) if required by the Bank with such insurance company or companies of repute to be approved by the Bank in writing and shall deposit the insurance policies and all cover notes premia receipts etc. with the Bank along with such letters, writing as required by the bank. The Borrower shall make punctual payment of all premia and shall not do or suffer to be done any act which may invalidate such insurances and in case of demise of the Borrower, during the currency of the Loan, the Bank shall be entitled to obtain and avail of the moneys under the said policies and appropriate the same towards the repayment of the Dues.
- f)** Any person authorized by the Bank will be allowed to have free access to the security for the purpose of inspection/supervising and inspecting the same.
- g)** The Borrower shall whenever required by the Bank submit statements of annual income certified and audited by a practicing chartered accountant (with his registration number mentioned therein) along with a copy of the tax returns filed with the income tax authorities duly certified by such chartered accountant (with his registration number mentioned therein) or latest salary slip duly stamped and signed by the employer.
- h)** The Borrower shall notify the Bank of the change in his NRI/PIO status to resident status, if the Borrower has taken the Loan in the status of NRI / PIO and vice versa.
- i)** The Borrower shall maintain the Security at his/her/its own cost, in good order and condition and that the Borrower will ensure that the value of such Security does not diminish.
- j)** The Borrower shall duly and punctually comply with all the terms and conditions of holding the Security and all the laws in respect thereof including all applicable rules, regulations, bye-laws, etc. applicable to such Security.
- k)** It shall be at the sole discretion of the Bank to either replace the post dated cheques or to refuse the same.
- l)** In the event the Borrower requests the Bank and the Bank agrees to waive the requirement of post dated cheques, the Borrower shall pay the PEMII/EMI/Monthly Installment or any other amount payable under this Agreement, on the Due Dates at the place as desired by the Bank either at the registered office of the Bank or any of the servicing branch of the Bank. The Borrower further undertakes that, if the Bank has to collect such amounts from the Borrower, the Borrower shall pay to the Bank collection charges as may be determined by the Bank for every such installment collected by the Bank.

- m)** In case of the repayment of the Loan is to be made through Standing Instruction or electronic clearance system, and if the Standing Instruction or ECS is not honoured by the concerned bank for whatever reason the Borrower shall without prejudice to the other rights and remedies of the Bank, pay dishonour charges as may be decided by the Bank from time to time.
- n)** The Borrower hereby undertakes that the Borrower shall not close the account on which the post dated cheques are issued and also shall not change the authorized signatory / ies to the said account (where the Borrower is a company/partnership) without the prior consent of the Bank.
- o)** The Borrower shall deliver and deposit the share certificates relating to shares issued by the housing society to the Borrowers, as soon as these are received by the Borrowers.
- p)** The Borrower shall duly and punctually comply with all the terms and conditions of holding of the Property and all the rules, regulations and bye-laws of the concerned co-operative society, company or any other authority, if applicable and pay such maintenance and other charges, dues and outgoings pertaining to or in respect of the Property or for the use thereof.

## **5.2 Negative Covenants**

Without prejudice to the other Covenants provided by the Borrower under this Agreement, the Borrower further covenants with the Bank that the Borrower shall not, except with the prior written consent of the Bank:

- a)** Utilize the Loan for any illegal purpose or for any purpose other than as stated in the Application furnished by the Borrower to the Bank;
- b)** Sell, mortgage, lease, surrender or otherwise howsoever alienate or transfer or create any third party interest in the property or otherwise part with the possession of the Property;
- c)** Subject the Property to any family arrangement or partition or convert it into HUF property;
- d)** Change the usage of the Property;
- e)** Amalgamate or merge the Property with any other property of the Borrower or with any other adjacent property or create any right of way or other easement on the Property;
- f)** Stand surety for any person or guarantee the repayment of any Loan or overdraft or other obligation of any Person;
- g)** Prepay or repay any other Loan or financial obligation without first repaying the Loan and other amounts due to the Bank under this Agreement;
- h)** Enter into any amalgamation or reconstruction or merge with any other company or body corporate
- i)** Execute any power of attorney, indemnity or any other deed in favour of any third party, enabling such person to deal with the Property in any manner as it thinks fit.

## **ARTICLE 6**

### **REPRESENTATIONS AND WARRANTIES**

#### **6.1** The Borrower hereby represents and warrants that:

- a)** the credit information is True and Accurate in all material respects, is not misleading and does not omit any material details, the omission of which would make any fact or statement therein misleading and the credit information shall be deemed to form part of the warranties herein contained.
- b)** the Borrower does not violate any covenant, conditions or stipulations under any existing Agreements entered into by the Borrower with any party, by availing the Loan from the Bank.
- c)** that subsequent to the Application there has been no material change which would affect the grant of the Loan as requested for in the Application.
- d)** all acts, condition and things required to be done, fulfilled or performed, and all authorizations required or essential, for the entry and delivery of this Agreement have been fulfilled, done, obtained, effected and performed and are in full force and effect and no such authorization has been or is threatened to be revoked or cancelled.
- e)** this Agreement has been validly executed and any addendum/supplemental Agreement to the main agreement or each contract document constitute or will constitute, when executed, legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms.
- f)** nothing in this Agreement conflicts with any law, regulation or bye law of the Central or a State Government or any local or revenue/tax or statutory authority or any such other authority, which is binding on the Borrower and the Borrower hereby indemnifies and keeps the Bank indemnified against all costs, charges, expenses, penalties, claims, demands and damages that the Bank may incur or be put to by reason of entering into this Agreement with the Borrower or by acting in pursuance of this Agreement because of the Borrower or the Bank thereby violating or infringing any such law, regulation or bye law.
- g)** the Borrower's obligations under this Agreement and the contract documents will constitute private and commercial acts done and performed for private and commercial purposes and the Borrower will not be entitled to claim immunity for themselves or any of their assets from suit, execution, attachment or legal process in any proceedings in relation to this Agreement or the contract documents.

- h)** The Borrower has not taken any other loan, advance, facility or debt of any nature whatsoever from the Bank and if taken, the same has been disclosed correctly and the Borrower is not a Guarantor or given any security to any loan, advance, facility or debt of any nature whatsoever granted by the Bank to any other person(s) and if given, the same has been disclosed correctly.
- i)** There is no charge, lis pendens, lien or other encumbrance or legal dispute of any nature on the Borrower or the whole or any part of the Security. The Borrower has a clear and marketable title to the Security.
- j)** The Borrower has verified the original title deeds at the office of the builder/ developer / society / association / company and made necessary inquiries / searches at concerned government offices in respect of the Property forming part of the security. The Borrower has disclosed to the Bank all facts relating to such Property.
- k)** That the Property forming part of the security is not included in or affected by any of the schemes of any competent authority or by any alignment, widening or construction of road under any scheme of any competent authority.
- l)** The Agreement for sale/ sale deed/ deed of transfer of the Property forming part of the security between the borrower and the builder/developer or as the case may be, Vendor, is valid and subsisting.
- m)** The Borrower shall keep himself acquainted with the rules (if any) prescribed by the Bank in force from time to time.
- n)** That the Borrower (i) is a major and is of sound mind (where a / the Borrower is an individual); (ii) is a body corporate duly constituted and incorporated under the laws of India (where a / the Borrower is a company incorporated under the Companies Act, 1956 or Companies Act, 2013 or any other body corporate); (iii) is a partnership firm within the meaning of the [Indian] Partnership Act, 1932 comprising of the persons mentioned in item No. IV of Schedule A as partners (where a / the Borrower is a partnership firm); and is competent to contract and enter into and perform his/her/its obligations under this Agreement.
- o)** That the Borrower has paid and will pay when due all public demands such as income tax, property taxes and all other taxes and revenues payable to the government or any local body/authority. There are no proceedings pending against the Borrower or any of the Borrower's properties under the provisions of the Income Tax Act, 1961.
- p)** Where the Borrower is a company, the board and company is authorized and has taken all necessary approvals required under the Companies Act, 1956 or Companies Act, 2013 and the borrowing is not an ultra-virus borrowing.
- q)** The Borrower is the absolute owner of the property and absolutely seized and possessed of and otherwise well and sufficiently entitled to the Property to create valid mortgage in favour of the Bank and that the Borrower has a clear and marketable title to the Property, free from all legal hurdles, reasonable doubts and encumbrances.
- r)** Apart from the documents of title mentioned in the Schedule, there are no other documents of title pertaining to the property and if there are any further title deeds pertaining to the Property, the same will form part of the title deeds deposited with the Bank to perfect the security created in favour of the Bank.
- s)** In the case of default in making repayment of the Loan or other amounts due from the Borrower in terms of this Agreement, the Bank will have complete liberty to sell, alienate or encumber the property in any manner whatsoever as the Bank may deem fit and the Borrower will hand over the vacant possession of the Property without any demur or protest and the Bank will have complete liberty to take over the possession of the Property.

All representations and warranties of the Borrower in this Agreement shall be deemed to be repeated by the Borrower on every day from the date of this Agreement until the said Dues are paid to the Bank in full; and the Borrower will forthwith inform the Bank in the event of any representation or warranties being or becoming untrue or incorrect on any day or at any time.

## **ARTICLE 7**

### **EVENT OF DEFAULT & REMEDIES OF THE BANK**

If one or more of the events specified in this Article (hereinafter called "Event of Default") shall have happened, then the Bank by a written notice to the Borrower may declare that the principal, all accrued interest and all other amounts payable by the Borrower shall become payable forthwith by the Borrower to the Bank under or in terms of this Agreement, and upon such declaration the same shall become due and payable forthwith and the Security, created in favour of the Bank for the Loan shall become enforceable.

#### **7.1 EVENTS OF DEFAULT**

- a)** Payment of Dues: If a default shall have occurred in payment of the PEMII / EMI / Monthly Installment or any other amounts payable or the payment made falls short of any amount due and payable to the Bank in terms of this Agreement.
- b)** Representations and Warranties: If any representations or statements or particulars made in the Borrower's proposal / Application herein are found to be incorrect or the Borrower commits any breach or default in performance or observance of this Agreement or any documents creating Security or fail to keep or perform any of the terms or provisions of any other agreement between the Bank and Borrower in respect of this Loan;
- c)** Performance of Covenants: If default shall have occurred in the performance of any covenants and conditions, on the part of the Borrower under this Agreement between the Borrower and the Bank.
- d)** Non delivery of Cheques: If the Borrower fails to deliver post dated cheque in accordance with the terms of this Agreement.

- e) Non-payment through direct instruction: Where the Borrower has accepted payment of due amounts through direct deduction from salary or direct Debit from his bank account or through electronic fund transfer and any such payment is not received or honoured or cleared.
- f) Alienation of Security: If the Security or any part thereof is let out, given on leave and license, disposed off, leased, charged, encumbered, used for commercial purpose or otherwise alienated in any manner whatsoever without the prior written permission of the bank.
- g) Depreciation of Security: If there is any deterioration or impairment of the Security, or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes the Security in the judgment of the Bank to become unsatisfactory as to character or value;
- h) Insolvency: The Insolvency, winding up, failure in business, commission of an act of insolvency, general assignment for the benefit of creditors, if the Borrower suspends payment to any creditors or threatens to do so, filing of any petition in bankruptcy of by, or against the Borrower or filling up of any petition for winding up/insolvency of the Borrower and which is not withdrawn within 30 Days of being admitted.
- l) Divorce or Death: where any of the Borrower or Guarantor is divorced or dies or becomes a lunatic.
- j) Inability to repay the Loan: if there is reasonable apprehension that the Borrower or the Guarantor are unable to pay their debts or either of the Borrower or the Guarantor has admitted its inability to pay its debts, as they become payable;
- k) Change in Financial Position: If the Borrower or the Guarantor suffers any adverse material change in its financial position;
- l) Legal conviction: if the Borrower or the Guarantor is convicted under any criminal law in force;
- m) If the Borrower or Guarantor does any act which may affect the Security or the value of such Security.
- n) If the Security is destroyed beyond repair for any reason whatsoever;
- o) If at any time the Security is used for any illegal or unlawful purposes;
- p) There exists any other circumstance, which in the sole opinion of the Bank is prejudicial to the interest of the Bank;
- q) Attachment, Distraint etc.: If the Security is attached or seized or becomes a part of any other legal proceeding;
- r) Cross Default: If the Borrower or Guarantor has made a default under any Loan either under this Agreements or other contract with the Bank.
- s) If any litigations or proceedings (including arbitration or conciliation proceedings) are initiated against or orders or decrees are passed against or notice are received by the Borrower or the Guarantor.
- t) Failure to deliver balance confirmation: If the Borrower fails to sign and Deliver to the Bank the balance confirmation of the Bank's Loan as and when so required by the Bank.
- u) Change in employment/business: There is any change in the terms or place of employment or business and the same is not informed to the Bank.
- v) Conditions precedent to Disbursement: Where the Loan disbursement is to be in installments, the Borrower fails to fulfill the conditions precedent stipulated in this Agreement or any schedule hereto or in any other communication, prior to the date of disbursement of each of the installments (or such extended period as may be permitted by the Bank).
- w) If the Borrower (being a Company) does not get the charge of the bank registered with the concerned Registrar of Companies, within the statutory period or it goes into liquidation for the purpose of amalgamation or reconstruction, or it decides for the same except with prior written approval of the Bank;
- x) If a Receiver is appointed in respect of the whole or any part of the property/assets of the Borrower;
- y) If the Borrower ceases or threatens to cease or carry on its business;
- z) If it is certified by an Accountant of a Firm of Accountants appointed by the Bank (which the Bank is entitled and hereby authorized to do so at any time) that the liabilities of the Borrower exceed the Borrower's assets or that the Borrower is carrying on business at a loss;
- (aa) "Inability of the Borrower (or the security provider and/or the guarantor) to repay debts to any person or any steps being taken by any person accelerating the payment obligation of the Borrower/ security provider/ guarantor (prior to the relevant due date either for payment of interest or principal or instalment) or declaration by any person of an event of default (howsoever described) under their respective arrangements with the Borrower (or the security provider and/or the guarantor) or any event which under any law, statute, rule, ordinance etc. would have the effect of suspending or waiving all or any right of the creditors generally, against the Borrower (or the security provider and/or the guarantor) or in respect of any contract or agreement concerning the Borrower (or the security provider and/or the guarantor);"
- (ab) "any demand made against or filing of any application in respect of/ against the Borrower, any associate or affiliate of the Borrower or any Security Provider and/or the guarantor, under the Insolvency and Bankruptcy Code, 2016 and Regulations thereunder (or which demand, filing or application may lead to a proceeding under Insolvency and Bankruptcy Code, 2016) by any person including any creditor (whether operational or financial) of the Borrower/security provider/ guarantor;"

## 7.2 NOTICE ON THE HAPPENING OF AN EVENT OF DEFAULT

- a) If any Event of Default or any event which after a lapse of time is capable of becoming an Event of Default takes place, the bank shall give notice of ten days to the Borrower in writing specifying the nature of such Event of Default or of such event. If the event of Default is capable of being cured or remedied, the Borrower shall cure or remedy the default or such event before the expiry of the notice period.



- b) On the expiry of the period of notice, the Loan shall immediately stand repayable by the Borrower to the bank and in such case it shall be the obligation of the Borrower to immediately repay the Dues to the Bank. In case of default by the Borrower to immediately repay the Dues the Bank shall be entitled without prejudice to the other rights and remedies available, to the Bank, under this Agreement and in law, to enforce the Security created by the Borrower in favour of the bank in terms of this Agreement.
- c) Upon the Security becoming enforceable, the Bank shall, without prejudice to its other rights and remedies, be entitled to and shall have absolute power and authority to use its discretion to sell and dispose off the Security or any part of the same by private treaty, without (as far as may be) the intervention of the Court, as and when the Bank may, in its absolute discretion, deem fit and to apply the net proceeds of such sale in satisfaction so far as the same will extend towards liquidation of the Loan. The Borrower hereby agrees and undertakes not to raise any dispute as to the value at which the Security is transferred by the Bank and the decision made by the Bank shall be final and binding on the borrower. The Bank shall not be liable for any loss arising due to the sale or transfer of the Security under this Article.
- d) The Bank may also terminate this Agreement at any time after the expiry of the period of notice.
- e) Notwithstanding any cancellation or termination pursuant to the provisions of this Article, all the provisions of this Agreement shall continue in full force and effect as herein specifically provided mutatis mutandis till such time as the loan Amount is repaid by the Borrower, to the satisfaction of the Bank.

### **7.3 MAKING GOOD ANY SHORTFALL**

If the net sum realised through the sale/transfer of Security is insufficient to cover the full amount of the amounts of dues owed by the Borrower, then without prejudice to the other rights and remedies of the Bank under this Agreement or in law, the Borrower agrees to pay to the Bank forthwith at the Bank's demand such amount as will make up the shortfall. Further, all costs incurred by the Bank after an Event of Default has occurred, in connection with the preservation of the Property and collection of the amounts due under this Agreement shall be charged to the Borrower and shall form part of the amounts owing under this Agreement.

### **ARTICLE 8**

#### **WAIVER**

No delay in exercising or omission to exercise, any right, power or remedy accruing to the Bank under this Agreement upon any default under this Agreement or any other document shall impair any such right, power or remedy nor shall be construed to be a waiver thereof or any acquiescence in such default; nor shall the action or inaction of the Bank in respect of any default or any acquiescence by it in any default affect or impair any right, power or remedy of the Bank in respect of any other default.

### **ARTICLE 9**

#### **EFFECTIVE DATE OF TERMS AND CONDITIONS**

This Agreement shall come in force from the date of signing of this Agreement and shall remain in force and effect until all the monies due and payable to the Bank under this Agreement between the Borrower and the Bank are fully paid to the satisfaction of the Bank.

### **ARTICLE 10**

#### **SECURITIZATION / ASSIGNMENT**

The Borrower expressly recognizes and accepts that the Bank shall, without reference to or any intimation to the Borrower, be absolutely entitled and have full power and authority, to sell, assign, securitize or transfer to any third party or person as the Bank may decide the Loan and all outstanding due and the rights and obligations of the Bank under this Agreement and any security / additional security (including Guarantee/s) which may be created in favour of the Bank, in any manner, in whole or in part and on such terms as the Bank may decide including assigning the power to proceed against the Borrower, on behalf of the Bank, in events of default for any amounts due by the Borrower under this Agreement. Any such sale, assignment, transfer or securitization shall bind the Borrower and the Borrower shall accept the third party as its sole creditor or creditors and in such event the Borrower shall pay to the Bank or such creditor or as the Bank may direct, the Outstanding amounts due by the Borrower under this agreement. The Borrower shall not be entitled directly or indirectly to sell/transfer/assign any of its benefit or obligation of this Agreement without the prior written permission of the Bank.

### **ARTICLE 11**

#### **COLLECTION / ADMINISTRATION**

- a) The Borrower expresses, recognizes and accepts that the Bank shall, without prejudice to its right to perform such activities itself or through its officers or employees, be entitled and shall have full power and authority to appoint one or more third parties as the Bank may select and to delegate to such third party all or any of its functions, rights and powers under this Agreement relating to administration of the loan including the right and authority to collect and receive on behalf of the Bank from the Borrower the PEMII/EMI/ Monthly Instalment and other amounts due from the Borrower under this Agreement and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto include sending notices, contacting the Borrower, receiving cash/cheques/drafts/Mandates from the Borrower and giving valid and effectual receipts and discharge to the Borrower. For the aforesaid purpose, the Bank shall be entitled to disclose to such third parties all necessary or relevant information pertaining to the Borrower and the Loan and the Borrower hereby consents to such disclosure by the Bank.
- b) The Borrower expressly agrees and accepts that the Bank shall have absolute right to shift or transfer the place of concerned branch at any time at any location in India without prior-post intimation to the Borrower. In the event of such transfer the Borrower agrees to attend such other branch office as the Bank may indicate for all purpose of this Agreement and such office shall be the Concerned Branch.



**ARTICLE 12**  
**MISCELLANEOUS**

**12.1 Inspection etc.**

The Borrower shall permit inspection of all books of accounts and other records maintained by the Borrower or his agent at any place in respect of the Loan to the persons authorized by the Bank. The Borrower shall also permit similar inspection by such other companies, other Banks, institutions, credit bureaus or bodies as the Bank may appoint or authorize for the purpose of the Loan granted by the Bank.

**12.2 Statement of Account etc.**

- a) The statement of accounts of the Bank duly certified by its authorised officer shall be conclusive evidence of amounts due to the Bank and of payments received by the Bank.
- b) The Borrower agrees that the Bank is not responsible or liable in any way whatsoever for the Property purchased on Loan. It is expressly agreed and declared that any seller/builder of such Property by or through whom this transaction may have been introduced, negotiated or conducted is not an agent of the Bank and that Bank has no liability for any representations or statements which is not made directly by the Bank to the Borrower.

**12.3 Sharing of Information**

The Borrower/s, irrevocably agrees and consents to the Bank at any time and in any manner disclosing and/or making available to any agencies, bureaus (including credit bureaus specified by the Reserve Bank of India, which presently includes The Credit Information Bureau (India) Limited), affiliates or subsidiaries of the Bank, associations and other persons whatsoever any information (including personal and financial information) and documents of or relating to the Borrower/s and/or the Guarantor/s, including any Credit Information, in such cases where the Bank considers appropriate including where such disclosure is permitted or required by or under law, circular or guideline or where the Bank is of the view that the interests of the Bank require such disclosure or for furnishing such information and documents for preparation, publication and distribution of credit reports and credit opinions relating to the Borrower to other persons including banks and financial institutions. The provisions of this clause shall survive even after the term/ termination of this Agreement and the repayment of all dues of the Borrower/s.

The Borrower agrees that if the Borrower/s commit/s any breach of any provision of this Agreement or any default or delay in the repayment of the loan or any amount payable under this Agreement whatsoever which the Borrower/s is/are liable to pay, the Bank shall have the unqualified right to disclose or publish the Guarantor(s) / Borrower's /s name/s and particulars (including photographs and particulars of their accounts and default), as a defaulter in such manner as the Bank may deem fit.

**12.4 Service of Notice**

Any notice or request to be given or made by a party to the other shall be in writing. Such notice or request shall be deemed to have been duly received by the party to whom it is addressed if it is given or made at the address specified below or at such address as the parties to this Agreement shall have intimated other address in the manner provided under this Agreement.

**For the Bank:** At the address as mentioned in item No. III of Schedule A .

**For the Borrower:** The address as stated in item No. IV of Schedule A here to.

Provided that the Borrower shall inform his current residence/registered office address, expressly in writing, immediately after availing full and final disbursement of the Loan. In the event of failure of the Borrower, the Bank shall be entitled to consider the address of the Property as the current residence address of the Borrower from the date of full & final disbursement for the purpose of any correspondence.

The Bank shall not be bound to accept instructions from any agent appointed by the Borrower and shall be entitled to insist that all instruction under this Agreement be provided to the Bank directly/ personally by the Borrower.

The Bank may send any notice to the Borrower or to any person concerned in any manner as it may decide at its sole discretion provided that all such notices shall be in writing. However the Borrower shall send any notice to the Bank either through hand delivery or through Registered Post only.

Notice shall be deemed to have been received, if given by post on the expiration of 3 days after the same shall have been delivered to the post office, shall have been delivered to the telegraph office and if delivered personally, when left at the address of the Borrower as aforesaid, and a certificate by an officer of the Bank who sent such notice that the same was so sent shall be final and conclusive. Any notice or request by the Borrower shall be deemed to have been received by the Bank on actual receipt thereof by the Bank.

Provided that notwithstanding anything to the contrary, the delivery agency, including without limitation the post office shall be deemed to be the agent of the Borrower and not of the Bank.

**12.5 Severability.**

If any provisions of this Agreement is held to be illegal, invalid, or unenforceable under any present or future law, and if the rights or obligations under this Agreement of the Parties will not be materially and adversely affected thereby (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; and (c) the remaining provisions of the Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance here from.



**SCHEDULE A**

Item No.	Particulars	
I.	Place of execution of Agreement	
II.	Date of Execution of Agreement	
III.	Address of the Concerned Branch office of the Bank	<p><b>Kotak Mahindra Bank Limited</b></p> <p>(The Bank may at its own discretion, change the Concerned Branch from time to time)</p>
IV.	Name and Address of Borrower/s	<p>1) Name:</p> <p>Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others</p> <p>Add 1 :</p> <p>Add 2 :</p> <p>Add 3 :</p> <p>City : <span style="float: right;">Pin :</span></p> <hr/> <p>2) Name:</p> <p>Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others</p> <p>Add 1 :</p> <p>Add 2 :</p> <p>Add 3 :</p> <p>City : <span style="float: right;">Pin :</span></p> <hr/> <p>3) Name:</p> <p>Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others</p> <p>Add 1 :</p> <p>Add 2 :</p> <p>Add 3 :</p> <p>City : <span style="float: right;">Pin :</span></p> <hr/> <p>4) Name:</p> <p>Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others</p> <p>Add 1 :</p> <p>Add 2 :</p> <p>Add 3 :</p> <p>City : <span style="float: right;">Pin :</span></p> <hr/> <p>5) Name:</p> <p>Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others</p> <p>Add 1 :</p> <p>Add 2 :</p> <p>Add 3 :</p> <p>City : <span style="float: right;">Pin :</span></p>

V.	Loan Amount (Amount In Figures and Words)	Figures: ₹ _____ /- Words: (Rupees _____ _____ _____ Only)
VI.	Rate of Interest (Tick, whichever is applicable)	<input type="checkbox"/> Fixed Interest Rate as per Schedule A <input type="checkbox"/> Adjustable Interest Rate as per Schedule C <input type="checkbox"/> "Combo" Rate of Interest as per Schedule D Pre-MI/EMI/MI Interest (if applicable) as per relevant Schedule B or C or D, as the case may be.
VII.	Substitute Interest	24% p.a. compounded annually
VIII.	Commitment Charges (As referred in Article 2.9)	2%
IX.	Cheque/ Instruction Dishonour	₹ 750 (Rupees Seven Hundred and Fifty Only) per instrument per instance
X.	Swap Charges (for Placement of new post Dated cheques / ECs)	Upto ₹ 500 (Rupees Five Hundred Only) + GST and other applicable taxes per swap per instance.
XI.	Collection Charges	30% on unpaid substitute interest + cheque dishonour Charges
XII.	Foreclosure / prepayment Charges in case of Loan Against Property (Individual Borrower(s) and (Non- Individual-Borrower(s).	<p><b>Where the rate of interest opted for is fixed, the foreclosure charges would be as follows:-</b></p> <p><input type="checkbox"/> No Prepayment/Foreclosure is allowed till the lapse of Lock in Period of 6 months after EMI Commencement.</p> <p><input type="checkbox"/> After the Lock-in Period, Part Prepayment of minimum Rs.25,000/- and maximum upto 25% of outstanding Loan Amount can be Made without any Prepayment Charges every 6 months. The minimum period between any two prepayment shall be atleast 6 (six) months.</p> <p><input type="checkbox"/> For any Part Prepayment in excess of 25%, 4% (plus GST and other applicable taxes) of the excess prepayment Amount shall be charged as Prepayment Charges.</p> <p><input type="checkbox"/> For Full Prepayment any time after the Lock-in Period, Prepayment Charges shall be 4% (plus GST and other applicable taxes) of the Foreclosure Loan Amount plus Amounts prepaid during the last 12 months.</p> <p><input type="checkbox"/> If, for any reason, the Customer wants to make any Full/Part Prepayment before completion of the Lock-in Period, in addition to the Prepayment charges as specified above, Interest for the Broken Lock-in period shall also be levied.</p> <p><b>In case of floating rate of interest,</b> the foreclosure charges in case of individual borrowers would be NIL and in case of Non-Individual Borrowers would be the same as specified above for fixed rate of interest.</p> <p><b>In case of Combo Rate of Interest:</b></p> <p><input type="checkbox"/> For Individual Borrowers, the foreclosure charges on/during the fixed rate of interest tenure, would be the same as that specified for the Fixed Rate of Interest above and on floating rate of Interest would be NIL.</p> <p><input type="checkbox"/> For Non Individual Borrowers, the foreclosure charges would be the same as that specified for the fixed rate of interest above.</p>

XIII.	Guarantor/s	1) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others Add 1 : Add 2 : Add 3 : City : <span style="float: right;">Pin :</span>
		2) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others Add 1 : Add 2 : Add 3 : City : <span style="float: right;">Pin :</span>
		3) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> HUF <input type="checkbox"/> Others Add 1 : Add 2 : Add 3 : City : <span style="float: right;">Pin :</span>
XIV.	Purpose of the Loan	
XV.	Type of Security	
XVI.	Documentation Charges	Upto Rs. 10000/- (Rupees Ten Thousand Only)

#### SCHEDULE B

#### TERMS AND CONDITIONS APPLICABLE TO THE LOAN WITH FIXED INTEREST RATE

**(A) Computation of Interest:**

The fixed Interest Rate shall be .....% p.a. (i.e. the Applicable MCLR \_\_\_\_\_ plus \_\_\_\_\_% p.a.).

Pre-EMI Interest shall be ..... % p.a. The same shall be computed on a monthly Rest basis. The same shall be payable on a monthly basis.

**(B) Repayment of Loan and Payment of Interest:**

i) Prior to commencement of monthly Installments provided in point (ii) below, the Borrower shall be liable to pay the Bank the Pre-EMI Interest (if applicable).

ii) Loan and Interest shall be payable by the Borrower in the following Monthly Installments:

EMI/Monthly Instalment (MI) Amount ₹	No. of EMI/MI	Form	Period To	Payable Monthly on or Before

KMBL/HF/PAGE-03

**SCHEDULE C**

**TERMS AND CONDITIONS APPLICABLE TO THE LOAN WITH ADJUSTABLE INTEREST RATE**

**(A)**

**Definition:**

- a) Adjustable Interest Rate (AIR) :  
Reference Rate (Applicable MCLR rate) + Spread.  
Applicable MCLR \_\_\_\_\_ prevailing on the first disbursement under each Facility (whether partial or full) plus spread shall be the rate of interest for that Facility until next Reset Date.  
As on date, the rate of interest is \_\_\_\_\_ % consisting of Applicable MCLR \_\_\_\_\_ Rate @ \_\_\_\_\_ % and the spread @ \_\_\_\_\_ %.
- b) Pre-MI Interest (if applicable) : Applicable MCLR rate + Spread.  
Applicable MCLR \_\_\_\_\_ prevailing on the first disbursement under each Facility (whether partial or full) plus spread shall be the Rate of Interest for that Facility until next Reset Date.  
As on date, the Rate of Interest is \_\_\_\_\_ % consisting of Applicable MCLR \_\_\_\_\_ rate @ \_\_\_\_\_ % and the spread @ \_\_\_\_\_ %.
- c) "Reference Rate" shall mean "applicable MCLR (Marginal cost of funds lending rate) \_\_\_\_\_ Rate".  
MCLR Rate means the interest rate announced by the Bank from time to time on a pre-announced date, as its MCLR rate for different maturities, in accordance with the guidelines issued by the Reserve Bank of India.

**(B)**

**Computation of Interest:**

- a) The Borrower shall be charged AIR and Pre-MI Interest (if applicable) on a Monthly Rest Basis at the rate mentioned here in above.
- b) The MCLR Rate shall be reset on the period mentioned below:

**Reset Date:**

- **First Reset Date:** All the loans will be reset on the first day of the sixth calendar month (in case of MCLR 6 Months) including the month of disbursement.
- **Subsequent Reset Date/s:** will be the date which is immediately succeeding to the date on which six calendar months (in case of MCLR 6 Months) are completed from the earlier Reset Date.
- Applicable MCLR prevailing on the Reset Date + Spread shall be the Rate of Interest for that Facility until next Reset Date.  
To illustrate: For a disbursement made on April 12, 2016 (in case of MCLR 6 Months) first reset date will be October 1, 2016 and the subsequent Reset date will be on April 1, 2017.
- In the similar way the Reset Dates for MCLR 1, 3 and 12 shall be calculated/ Interpreted)

**(C)**

**Repayment of Loan and Payment of Interest:**

- a) Prior to commencement of EMI / Monthly Installments provided in point (b) below, the Borrower shall be liable to pay the bank the Pre-MI Interest (if applicable).
- b) Loan and AIR shall be payable by the Borrower in the following Monthly Installments:

EMI/Monthly Instalment (MI) Amount ₹	No. of EMI/MI	Form	Period To	Payable Monthly on or Before

- c) In the event of any benefit/ loss being caused as a consequence of the AIR variation, the same may either reflect in the Monthly Installments or the tenure of the Loan. Provided that if as a consequences of any extension of the tenure of the loan as a consequence of the AIR variation, the Maximum Tenure is likely to be exceeded, the Bank shall make appropriate changes in the Monthly Installment.



**SCHEDULE D**

**TERMS AND CONDITIONS APPLICABLE TO THE LOAN WITH COMBO INTEREST RATE**

**Under this method**, Combo Interest Rate i.e. **(a)** Fixed Interest Rate linked to the Reference Rate (prevailing on the date of disbursement), shall be payable for the period commencing from the date of disbursement of the loan, till the expiry of \_\_\_\_\_ months from the date of disbursement and **(b)** from the date immediately succeeding the date of expiry of \_\_\_\_\_ months from the date of disbursement, Adjustable Interest Rate linked to the Reference Rate prevailing on and from the date immediately succeeding the date of expiry of \_\_\_\_\_ months shall be payable.

**I. Fixed Interest Rate shall be applicable only for the** period commencing from the date of disbursement of the loan till the expiry of \_\_\_\_\_ months from the date of disbursement.

**A. Computation of fixed interest:**

The Fixed Interest Rate applicable only for the period commencing from the date of disbursement of the loan till the expiry of \_\_\_\_\_ months from the date of disbursement shall be @ \_\_\_\_\_ % p.a. i.e. the applicable MCLR \_\_\_\_\_ plus \_\_\_\_\_ % p.a.

**Repayment of Loan and Payment of Interest during the** Period commencing from the date of disbursement of the loan till the expiry of \_\_\_\_\_ months from the date of disbursement:

- a) Prior to commencement of Monthly Installments provided in point (b) below, the Borrower shall be liable to pay the Bank the Pre-EMI Interest (if applicable).
- b) Loan and interest applicable from the date of disbursement till the expiry of \_\_\_\_\_ months from the date of disbursement, shall be payable by the Borrower in the following Monthly Installments:

Monthly Instalment (MI) Amount ₹	No. of MI	Period	Form	To	Payable Monthly on or Before

**II. Adjustable Interest Rate** shall be applicable, from the date immediately succeeding the date of expiry of \_\_\_\_\_ months from the date of disbursement Adjustable Interest Rate linked to the Reference Rate as defined below shall be applicable till the remaining tenure of the loan.

**A. Definition:**

- a) **Adjustable Interest Rate (AIR):**  
Reference Rate (Applicable MCLR rate) + spread.  
Applicable MCLR \_\_\_\_\_ prevailing on the date immediately succeeding the date of expiry of \_\_\_\_\_ months from the date of disbursement under each Facility (whether partial or full) plus spread shall be the Rate of Interest for that Facility until next Reset Date.
- b) **Pre-MI Interest (if applicable):** Applicable MCLR \_\_\_\_\_ rate + Spread.  
Applicable MCLR \_\_\_\_\_ prevailing on the date immediately succeeding the date of expiry of \_\_\_\_\_ months from the date of disbursement under each Facility (whether partial or full) plus spread shall be the Rate of Interest for that Facility until next Reset Date.  
As on date, the Rate of Interest is \_\_\_\_\_ % consisting of Applicable MCLR \_\_\_\_\_ rate @ \_\_\_\_\_ % and the spread @ \_\_\_\_\_ %.
- c) **“Reference Rate”** shall mean “applicable MCLR (Marginal cost of funds lending rate) \_\_\_\_\_ Rate”. MCLR Rate means the interest rate announced by the Bank from time to time on a pre-announced date, as its MCLR Rate for different maturities, in accordance with the guidelines issued by the Reserve Bank of India.

**B. Computation of interest:**

- a) From the date immediately succeeding the date of expiry of \_\_\_\_\_ months from the date of disbursement, adjustable Interest Rate linked to the Reference Rate shall be applicable. The Borrower shall be charged AIR on Monthly Rest Basis at the rate mentioned hereinabove.
- b) The MCLR Rate shall be reset on the period mentioned below and until such a reset date, the MCLR Rate would be fixed irrespective of any changes, in the Reference Rate (as applicable) in such period.

**Reset Date:**

- First Reset Date: All the loans will be reset on the first day of the sixth calendar month (in case of MCLR 6 Months) including the month of disbursement.
- Subsequent Reset Date/s: will be the date which is immediately succeeding to the date on which six calendar months (in case of MCLR 6 Months) are completed from the earlier Reset Date.



(To be filled by the Customer)  
**PERSONAL DISCUSSION FORM**

Date:

From:

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To

The Manager

Kotak Mahindra Bank Limited

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Dear Sir,

This is to confirm and inform you that in respect of my/our application for Home Finance from you and execution of necessary Loan Agreements, other documents etc. and to comply with all other necessary formalities for the financial assistance, I/We have had a meeting as per the following description:

Name of Bank Official/Representative Met	
Date of Meeting	
Time of Meeting A.M. /P.M.	
Place / Address of Meeting	

Thanking you,

Yours sincerely,

---

Signature of Borrower

---

Signature of Borrower

---

Signature of Borrower



(To be filled by the Customer)  
**DISBURSEMENT REQUEST FORM**

Date:

To  
The Manger  
Kotak Mahindra Bank Limited  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Sub: Request for Disbursement**

Dear Sir,

This is with reference to the Facility Letter No. \_\_\_\_\_ dated \_\_\_\_\_ For ₹ \_\_\_\_\_. You are requested to disburse ₹ \_\_\_\_\_ /- (Rupees \_\_\_\_\_)

as \_\_\_\_\_ disbursement of the loan. Please issue a Banker's Cheque for an amount of ₹ \_\_\_\_\_ /- favouring \_\_\_\_\_ (Bank Name \_\_\_\_\_)

Account No. \_\_\_\_\_

Request you to start the EMI/MI from the 1st/5th/10th of each month.

Yours faithfully,

Name and Signature of Borrower/Co-Borrower(s)

<b>FOR OFFICE USE</b>	
Sanction/Facility Number	
Sanction/ Facility Date	
Loan Amount ₹	
Amount Drawn ₹	
This Installment ₹	
Amount Balance ₹	
Payee Name Checked	
	Name and Signature of Relationship Manager/Customer Care

The serial no. of the disbursement installment e.g. first/second/third/final.

\_\_\_\_\_

X





**KOTAK MAHINDRA BANK LIMITED-RETAIL ASSETS FORM  
FOR SUBMISSION OF POST DATED CHEQUES  
[FOR CUSTOMER]**

**Dear Customer,**

We believe in dealing with customer in the most secured manner, in all our transactions. Customer's safety, security and satisfaction being our prime objective, request you to follow the instructions given below, which are very critical since you are handing over, the post dated cheques for the repayment of the loan which you have availed, thereby fostering your confidence and long-term relationship with us.

**Important Instructions: (Kindly refer the specimen given on the back side of this form)**

1. **Cheque should be in CTS 2010 format only.**
2. **Cheque should be crossed as "Account Payee Only".**
3. **Cheque should be drawn in favour of "Kotak Mahindra Bank Limited - Loan Account No. <Customers Name>".**
4. **Line should be drawn after the Name for security purpose.**
5. No correction in cheque is permitted.
6. Amount in figures and Words should be the same.
7. EMI cheques should be dated as per Proposed scheduled dates, agreed to.
8. In case of Un-dated Additional cheques, Instruction 5 and 6 doesn't apply and kindly ensure to mention "Not Over <Loan Amount> on the cheque.
9. In case of Repayment through ECS or SI kindly check with the concerned bank representative, about the number of additional PDC's to be given, based on the product offered to you.

**Customer Details:**

(for office use only)

Party ID Number: _____	Agreement Number: _____
Name of the Borrower: _____	

**Customer Details:**

Sr. No.	Cheque Numbers From To	No. of Cheques	Dates of Cheque ranging From To	Bank & Branch	Purpose (EMI/PEMI)	Amount of each Cheque ₹

I/We declare that, I/We have read all the instructions carefully. I/We further declare that I/We have not given any cheques, other than the one's mentioned above and KMBL will not be responsible for cheques left blank or drawn in favour of any name, other than the one mentioned above under the heading "Important Instructions".

Received By:

Applicant's Name: \_\_\_\_\_

Name of Bank Executive: \_\_\_\_\_

Signature of Bank Executive: \_\_\_\_\_

Applicant's Signature \_\_\_\_\_

Name of DMA/Agency: \_\_\_\_\_

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

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



### Specimen CTS-2010 dated cheques

1 Account Payee only

2 Bank Logo

3 Micro lettering

4 0 1 0 2 2 0 0 7  
D D M M Y Y Y Y Y

Pay Kotak Mahindra Bank Limited - Loan Account ABC या धारक को or Bearer

Rupees रुपये One Thousand only अदा करें ₹ 1000/-

A/c No.

XYZ Bank Ltd.  
Payable At-par at all branch locations of XYZ Bank Ltd.

Authorised Signatory

5

D S SAVANT & SONS, MUMBAI - 400030.

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### Specimen CTS-2010 undated cheques

1 Account Payee only

2 Bank Logo

3 Micro lettering

4 D D M M Y Y Y Y Y

Pay Kotak Mahindra Bank Limited - Loan Account ABC या धारक को or Bearer

Rupees रुपये अदा करें ₹

A/c No.

NOT OVER ₹ 1,00,000/-

XYZ Bank Ltd.  
Payable At-par at all branch locations of XYZ Bank Ltd.

Authorised Signatory

4

D S SAVANT & SONS, MUMBAI - 400030.

१०००२६७१ ४००४६५००६८ ७६५२९० ३१

**KOTAK MAHINDRA BANK LIMITED-RETAIL ASSETS FORM  
FOR SUBMISSION OF POST DATED CHEQUES  
[FOR BANK]**

**Dear Customer,**

We believe in dealing with customer in the most secured manner, in all our transactions. Customer's safety, security and satisfaction being our prime objective, request you to follow the instructions given below, which are very critical since you are handing over, the post dated cheques for the repayment of the loan which you have availed, thereby fostering your confidence and long-term relationship with us.

**Important Instructions: (Kindly refer the specimen given on the back side of this form)**

1. **Cheque should be in CTS 2010 format only.**
2. **Cheque should be crossed as "Account Payee Only".**
3. **Cheque should be drawn in favour of "Kotak Mahindra Bank Limited – Loan Account No. <Customers Name>.**
4. **Line should be drawn after the Name for security purpose.**
5. No correction in cheque is permitted.
6. Amount in figures and Words should be the same.
7. EMI cheques should be dated as per Proposed scheduled dates, agreed to.
8. In case of Un-dated Additional cheques, Instruction 5 and 6 dosen't apply and kindly ensure to mention "Not Over <Loan Amount> on the cheque.
9. In case of Repayment through ECS or SI kindly check with the concerned bank representative, about the number of additional PDC's to be given, based on the product offered to you.

**Customer Details:**

(for office use only)

Party ID Number: _____	Agreement Number: _____
Name of the Borrower: _____	

**Customer Details:**

Sr. No.	Cheque Numbers From To	No. of Cheques	Dates of Cheque ranging From To	Bank & branch	Purpose (EMI/PEMI)	Amount of each Cheque ₹

I/We declare that, I/We have read all the instructions carefully. I/We further declare that I/We have not given any cheques, other than the one's mentioned above and KMBL will not be responsible for cheques left blank or drawn in favour of any name, other than the one mentioned above under the heading "Important Instructions".

Received By:

Applicant's Name: \_\_\_\_\_

Name of Bank Executive: \_\_\_\_\_

Signature of Bank Executive: \_\_\_\_\_

Applicant's Signature \_\_\_\_\_

Name of DMA/Agency: \_\_\_\_\_

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

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



### Specimen CTS-2010 dated cheques

1 Account Payee only

2 Bank Logo

3 Micro lettering

4 0 1 0 2 2 0 0 7  
D D M M Y Y Y Y Y

Pay Kotak Mahindra Bank Limited - Loan Account ABC या धारक को or Bearer

Rupees रुपये One Thousand only अदा करें ₹ 1000/-

A/c No.

XYZ Bank Ltd.  
Payable At-par at all branch locations of XYZ Bank Ltd.

Authorised Signatory

5

D S SAVANT & SONS, MUMBAI - 400030.

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### Specimen CTS-2010 undated cheques

1 Account Payee only

2 Bank Logo

3 Micro lettering

4 D D M M Y Y Y Y Y

Pay Kotak Mahindra Bank Limited - Loan Account ABC या धारक को or Bearer

Rupees रुपये अदा करें ₹

A/c No.

NOT OVER ₹ 1,00,000/-

XYZ Bank Ltd.  
Payable At-par at all branch locations of XYZ Bank Ltd.

Authorised Signatory

4

D S SAVANT & SONS, MUMBAI - 400030.

४०००२६७४ ४००४६५००६८ ७६५२९० ३१







(To be filled by the Customer if Repayment is through ECS)  
**ELECTRONIC DEBIT AUTHORISATION TO BANK ACCOUNT**  
**ECS Arrangement Request Letter**

Date :

To,  
The Manager,  
Kotak Mahindra Bank Limited

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Re: Authorisation to pay loan installment Amounts/Other dues towards the loan to Kotak Mahindra Bank Ltd. through the Electronic Debit Mechanism.**

Dear Sir,

Please arrange to incorporate a standing instruction to debit my/our bank account towards the payment of my/our loan installments and/or any overdue/late payment interest/cheque bounce charges/instrument failure cost, as per the details given below:

KOTAK MAHINDRA BANK Loan account number: **(Apac No.)**

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**Name of the Customer** \_\_\_\_\_

Particulars of Bank Account: **(From where Credit has asked for Repayment)**

- A) Name of the Account Holder : \_\_\_\_\_
- B) Bank Name : \_\_\_\_\_
- C) Branch Address : \_\_\_\_\_
- D) Account Number : \_\_\_\_\_  
(As appearing in cheque book)

I/We having a Kotak Mahindra Bank loan account as mentioned above, hereby express my/our unconditional consent to debit payments of my/our loan installments dues and/or overdue/late payment interest/cheque bounce charges, referred to above Participation in the ECS of the National Clearing Cell of the Reserve Bank of India and hereby unconditionally and irrevocably authorize Kotak Mahindra Bank to raise the debits on such regular payments as referred to above, against my/our aforesaid Bank Account Number.

I/We hereby declare that the particulars given below are correct and complete and if the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I/We would not hold KOTAK MAHINDRA BANK responsible. I/We agree and understand that my Bank shall be informed of these debits as per the enclosed letter. I/We shall advise them of the same and I/We understand that the instruction cannot be withdrawn / cancelled except with the written consent of KOTAK MAHINDRA BANK, for the payment of the loan installment dues and/or any overdue/late payment charges/cheque bounce charges.

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

\_\_\_\_\_  
Signature of Sole/First Account Holder

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

\_\_\_\_\_  
Signature of Second / Joint Account Holder

*(Please Note: To be signed by all account holders, as per the mandate on your saving/current/overdraft a/c with your Bank).*



(To be filled by Customer and Certified by the Bank)  
**ECS AUTHORISATION CUM BANKER'S CERTIFICATION**  
**Debit Mandate**

Date:

To,  
The Bank Manager,  
**(From where Credit has asked for repayment)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

I/We have availed a loan from Kotak Mahindra Bank and wish to effect the repayment through the Electronic Clearing Services offered by the RBI towards settlement of my loan installment dues or/and any overdue/late Payment interest/cheque bounce charges/debit instrument failure cost. I/We request you to certify that the following information relating to my bank account is correct.

1. Customer Name : \_\_\_\_\_
2. Particulars of Bank Account : **(From where Credit has asked for repayment)**
  - A. Bank Name : \_\_\_\_\_
  - B. Branch Name : \_\_\_\_\_
  - C. 9 Digit Code number of the bank and branch appearing on the MICR cheque issued by the Bank.

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- A. Account type : Saving / Current / Overdraft a/c (tick any one)
- B. Equated Monthly Installment Amount : \_\_\_\_\_
- C. Ledger Number/Folio Number : \_\_\_\_\_
- D. Account Number : \_\_\_\_\_  
(As appearing on the cheque book)
- E. Date of Effect : \_\_\_\_\_
- F. Upper Limit of ECS Debit Amount\* : \_\_\_\_\_
3. Utility Code : \_\_\_\_\_

\* Upper limit of ECS debit amount is the maximum amount that could be debited from the above mentioned account in order to meet any increase in interest rate, settlement of loan installment dues or/and any overdue/late payment interest/cheque bounce charges/debit instrument failure cost etc.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not affected for reasons of incomplete or incorrect information, I/We would not hold Kotak Mahindra Bank responsible. I/We am/are aware of the Electronic Clearing Service Scheme and I/We agree to discharge my/our responsibility expected of me as a participant, under the scheme.

Yours Faithfully,

Signature of Sole/First Account Holder \_\_\_\_\_

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

Signature of Second/Joint Account Holder \_\_\_\_\_

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

(Please Note: To be signed by all account holders, as per the mandate on your savings/current/overdraft a/c with your Bank).

- Certified that the particulars furnished above are correct and signatures of the account holder(s) are verified as per our records.**
- We confirm the receipt & retention of the copy of the above ECS authorization for our records.**

Bank Stamp:

Name of the Authorised Signatory:

Date:

Signature of the Authorised Signatory of the Bank

Designation of the Authorised Signatory:





(To be signed by Party to the Agreement signing In a Vernacular Language)  
**VERNACULAR DECLARATION**

This is to confirm that the contents of this Agreement have been read out, explained and interpreted to:

- 1) Mr./Mrs./Ms. \_\_\_\_\_ in \_\_\_\_\_ Language
- 2) Mr./Mrs./Ms. \_\_\_\_\_ in \_\_\_\_\_ Language  
and
- 3) Mr./Mrs./Ms. \_\_\_\_\_ in \_\_\_\_\_ Language

as desired by him/her/them and the same are understood by him/her/them and he/she/they have confirmed that he/she/they has/have understood the same and has/have agreed to abide by all the terms and conditions of this Agreement. Pursuant to the same, the aforesaid person/s is/are affixing his/her/their signature/s, as given herein below.

**Name of the Borrower / Guarantor** \_\_\_\_\_

**Signature** \_\_\_\_\_

**(Declaration shall be signed by any one of the Borrowers/Guarantor where any one of them has signed in a Vernacular language and others has/have signed in English.**

**In the event where there is only one party to the agreement i.e Borrower, who signs in a Vernacular Language OR in the event where all the Borrowers have signed in a Vernacular Language, declaration shall be signed by the Bank Employee/DMA).**

**Name of the Bank Employee/DMA** \_\_\_\_\_

**Signature of Bank Employee/DMA** \_\_\_\_\_

**Employee Code/Stamp of DMA** \_\_\_\_\_



\_\_\_\_\_  
**Signature of the Borrower**

\_\_\_\_\_  
**Signature of the Borrower**

\_\_\_\_\_  
**Signature of the Guarantor**

