

MOST IMPORTANT TERMS AND CONDITIONS (MITC)
KOTAK BUSINESS BANKING ASSETS - WORKING CAPITAL FINANCE

Purpose of Loan:

Working Capital Finance can be granted to customers for funding the Short Term Capital requirement / Current Assets of the business and any other purpose which is acceptable to the Bank and is in adherence to instructions issued by Reserve Bank of India from time to time. It can be granted against the Primary Security of first and exclusive charge on all existing and future current assets / moveable fixed assets of the Borrower. Also, a Collateral Security can be taken as deemed fit by the Bank.

Primary Security Insurance:

The Bank may require the borrowers to insure at their own cost, the Inventory and / or Fixed Assets given as the primary security for the Loan / Facility. Such Insurance Policy should be comprehensive covering all risks and locations.

Property Insurance:

The Bank may require the borrowers to insure at their own cost, the Property if given as a Collateral Security for the Loan / Facility.

Rate of Interest (ROI):

For Fund Based Facilities, all Rates are linked to the K-MCLR of the Bank, which is uploaded on the Bank's Website (www.kotak.com). Floating/Adjustable Rates of Interest linked to the K-MCLR of the Bank, are offered. ROI may be revised upwards or downwards from time to time due to changes in the K-MCLR. The Bank at its discretion shall be entitled to review the K-MCLR from time to time. In case of Term Loans, the Bank has the option to reduce or increase the EMI or extend the repayment period or both consequent upon revision in the ROI. The Interest on the loan will be charged at prevailing ROI at monthly rests.

Borrower shall be deemed to have notice of changes in ROI whenever there are changes in K-MCLR which may either be displayed on the Notice Board of the Branch or published in Newspapers or uploaded on the Bank's Web Site or informed to the Borrower by way of a Letter / E-mail / SMS / Phone Call and the Borrower is liable to pay such revised ROI.

Rate of discounting in Foreign Currency shall be as per Bank's guidelines from time to time and availability of funds.

Rate of Commission:

For Non-Fund Based Facilities, the Borrower shall be liable to pay to the Bank commission on various facilities at the rate (if any) specified in the Sanction Letter or Individual Facility Sanction Letter or as defined by FEDAI and the same shall be payable on the Facilities at the rate agreed to between the Bank and the Borrower or as may be intimated by the Bank in writing from time to time and the Borrower shall not dispute the same.

Repayment:

Any facility will be considered as Fully Repaid only when all the Dues are paid and the Outstanding Limit amount becomes Zero.

Tenure:

Facility Tenure / Usance shall be decided case to case basis at the sole discretion of the Bank.

For all Term Loans, Minimum Tenure is 1 year. Maximum Tenure is 5 years or up to the age of attaining 65 years, whichever is lower.

Security:

Security shall be taken in the form of Equitable / Registered Mortgage / Extension of Mortgage of the Property against which the Loan / Facility is sanctioned. The Loan / Facility will also be secured by first and exclusive charge on all existing and future current assets / moveable fixed assets of the Borrower.

Besides security in the form of Mortgage of the Property and first and exclusive charge on all existing and future current assets / movable fixed assets, the Bank may stipulate, at its discretion, Security of adequate value in any other form(s) as the Bank may deem appropriate.

The Bank may also stipulate a Third Party Guarantee and /or Letter of Comfort, as the Bank may deem fit.

The Borrower should ensure that title to the Property is clear and marketable and the Property is fully constructed and built as per approved plans and permissions.

Schedule of Charges:

01	Processing Fee (Non-refundable)	Maximum 1.50% of the Facility Amount (plus GST and other applicable statutory levies)
02	Renewal Fee	Maximum 0.75% (plus GST and other applicable statutory levies)
03	Documentation Charges	Rs. 10,000/- (plus GST and other applicable statutory levies) per instance
04	Cheque dishonour Charges	Rs. 750/- (plus GST and other applicable statutory levies) per instance
05	Charges for Copy of any Document	Rs. 500/- (plus GST and other applicable statutory levies) per instance
06	Overdue Charges/Default/Penal Rate/Audit Shortfall	Maximum 3% compounded monthly, on outstanding / unpaid amount (plus GST and other applicable statutory levies)
07	Charges for Non Compliance with Sanction Terms	Maximum 2% p.m. on total exposure of the first month of delay, maximum 3% p.m. thereafter (plus GST and other applicable statutory levies)
08	PDC / Account swap charges	Rs. 500/- (plus GST and other applicable statutory levies) per instance
09	Under-utilization charges (CC/OD Facility)	Maximum Commitment fee of 1.00% (plus GST and other applicable statutory levies) of the unutilized amount in case of utilisation below 60%.
10	Termination Charges	Maximum 4% of sanction amount (plus GST and other applicable statutory levies)
11	Charges for Duplicate NOC/ No Dues Certificate.	Rs. 500/- per instance (plus GST and other applicable statutory levies)
12	Charges for copy of CIBIL Report (to Customer who has availed Loan /Facility from us)	Rs. 50/- per instance (plus GST and other applicable statutory levies)
13	Charges for Interest Certificate	Free once in a Financial Year. Thereafter, Rs. 250/- per instance (plus GST and other applicable statutory levies)

Notes:

- Stamp Duty on Master Facility Agreement / Guarantor Agreement, Registration Charges etc., varies from State to State. Stamping / Notarisation of RBI and other Affidavits as applicable.
- Charges for other Services would be specified as applicable when the Customer applies for those Services and the same shall be payable by the Borrower alone e.g. Revalidation of Sanction, Change in Property, Re-scheduling of Loan, Change in EMI Date, Solvency Charges etc.
- Taxes / other statutory levies may be charged to the Borrower if applicable as per Government / RBI directives.
- Bank reserves the right to modify any charges from time to time or to introduce any new charges, as it may deem appropriate and will publish them on the bank's website.

Personal Insurance:

Customers can opt for insurance cover on the Life of the Borrower which would cover, depending upon the sum assured, the liability outstanding under the Loan / Facility account at the time of death of the Policy holder. Availing such insurance cover is optional.

Default:

In case of Default (i.e., if the Amount Due is not paid by the Due Date), the Bank will try to inform the Customer by Post / FAX / Telephone / E-mail / SMS and/or through authorized representatives appointed for Collection purposes, about repayment of the loan/facility due and payable by the borrower. Any authorized representative so appointed by the Bank, shall adhere to the Board approved Policy on Collection of Dues and Repossession of Security.

Customer Service:

For any requirement, you may contact our Customer Care at 1860 266 2666.

Disclaimer:

Credit is at the sole discretion of **Kotak Mahindra Bank Limited** and is subject to Collection and Verification of Documents and other Information, Credit Bureau Checks, Personal Discussion (PD), and other Checks as may be felt necessary by the Bank. The Final Offering may be different from any initially communicated offer. The Bank may make available any information in the Application Form and other Documents submitted to the Bank and information pertaining to the Loan to any institution or body. Bank shall be in no way responsible for non-receipt of intimations/communications to the previously registered Addresses, Phone Numbers, Mobile Numbers, E-mail id, etc. The MITC are only indicative and not exhaustive. For detailed terms and conditions of the loan, please refer to the Loan Agreement. In case of contradiction in the MITC and provisions of the Loan Agreement, provisions contained in the Loan Agreement shall prevail.