

## LOAN AGREEMENT

THIS AGREEMENT is made on \_\_\_\_\_ at .....

BY AND BETWEEN:

The persons named as the Borrower at Serial No. 1 in Schedule (hereinafter referred to as the **"Borrower"** which expression shall, unless the context otherwise requires, mean and include, successor, executors, administrators and permitted assigns FIRST PART;

**AND**

**DBS Bank India Limited.**, a banking company incorporated in the Companies Act, 2013, having its registered office at Ground Floor – 11 & 12, Capitol Point, DLF Building, BKS Marg, Connaught Place, Delhi – 110 001 and having a Branch Office at as mentioned at Serial No.2 in Schedule I written hereunder and hereinafter referred to as **"Bank" / "DBS"** (which term shall so far as the context admit be deemed to mean and include its successors and assigns ) of the OTHER PART.

**WHEREAS** at the request of the Borrower, the Bank has agreed to grant to the Borrower a loan of up to the sum stated at Serial No. 3 of Schedule and on the terms and conditions contained in this Agreement (hereinafter called the **"Facilities" / "Loan"**).

The parties to this Agreement agree as follows:

### 1. DEFINITIONS & INTERPRETATIONS

#### 1.1 DEFINITIONS

In this Agreement unless the context otherwise requires.

**"Agreement"** means this agreement including Schedules written hereunder and any amendment hereto.

**"Application Form"** shall mean the application in the form prescribed by the Bank, submitted by the Borrower to the Lender for applying and availing of the Loan for the Purpose.

**"Availability Period"** shall mean the period as mentioned at Serial No. 5 of Schedule during which the Borrower is entitled to make a Drawdown. The Availability Period may be varied by the Bank, in its sole discretion, in writing.

**"Bank Group"** means the group comprising the Bank, its holding company (DBS Bank Ltd) its affiliates, associated companies, subsidiaries etc.

**"Business Day"** means in relation to any date for payment, days on which banks are open for general business at place as mentioned at Serial No. 2 of Schedule (including for payment, settlement and clearing).

**"Drawdown"** shall have the meaning ascribed to it in Clause 2.3 of this Agreement.

**"Due Date"** shall mean the date(s) on which the Indebtedness or any part becomes due and payable in terms of this Agreement and/or the Facility Documents.

**"Equated Monthly Installments (EMIs)"** shall mean the payment obligations of the Borrower to repay the Facilities and Interest accrued on the outstanding balance to the Bank, which EMIs shall be payable by the Borrower to the Bank, at the intervals specified in the Repayment Schedule.

**"Events of Default"** means events as listed in Clause 9 of this Agreement.

**“External Benchmark Based Lending Guidelines”** shall mean the Master Direction – Interest Rates on Advances bearing RBI/DBR/2015-16/20 dated 3<sup>rd</sup> March 2016 and updated as on 10<sup>th</sup> June 2021, as may be amended, replaced or modified, from time to time

**“Facility Documents”** means the Application Form , Offer Letter, this Agreement, the Security Documents and all documents that are executed/may be executed by the Borrower for and in relation to the Facilities, or any one or more of them as the context may require.

**“Facilities”/ “Loan”** means the credit facilities granted or to be granted by the Bank to the Borrower up to the sum as set out at Serial No.3 of Schedule vide Offer Letter and in accordance with the terms and conditions set out in this Agreement.

**“Fixed Interest Rate”** shall mean the fixed percentage rate per annum specified in Schedule hereto which shall remain fixed for the entire tenor of the Loan (in case the Interest Rate for the Loan is a Fixed Interest Rate)

**“Floating Interest Rate”** shall mean the percentage floating interest rate per annum calculated by aggregating the spread specified by the Lender and the RBI Policy Repo Rate as applicable in accordance with the External Benchmark Based Lending Guidelines issued by RBI from time to time, on the basis of which the Interest is payable monthly by the Borrower on the Outstanding Balances, the details of which are more particularly provided for in Schedule.

**“Interest”** shall mean the interest which shall be payable by the Borrower to the Lender on the Outstanding Balance, calculated on daily basis accrued on a monthly basis, which Interest may be charged at a Fixed Interest Rate or Floating Interest Rate(as mentioned in Schedule) and shall be charged till the date of receipt of amount by the Lender , as more specifically provided for in Schedule hereto;

**“Interest Rate”** shall mean the percentage rate per annum on the basis of which the Interest is payable monthly by the Borrower on the Outstanding Balances, the details of which are more particularly provided for in Schedule hereto

**“Material Breach”** shall mean a) Borrower’s non-payment of EMI or any other charges and amount as per terms of this Loan Agreement and /or b) Obligor’s default in creation and perfection of first and exclusive mortgage over the Property within 30 days from the date of disbursal and /or c) any act or failure at the Obligor’s end which in the sole opinion of the Lender is prejudicial to or impairs or imperils or jeopardise or is likely to prejudice, impair, imperil, depreciate or jeopardize the Security given by the Borrower or any part thereof and/or d) any act or failure by Obligor which would enable the insurer to avoid its liability for insured amount or increase the cost of insurance

**“Obligor”** means each of the Borrower(s), any guarantor and/or any other party to any of the Security Documents (other than the Bank and the Borrower).

**“Offer Letter”** means the letter dated as stated at Serial No. 4 of the Schedule issued by the Bank to the Borrower in connection with the Facilities and includes any amendments and variations from time to time in relation thereto and each such Offer Letter shall form part of this Agreement and shall be read in conjunction with this Agreement;

**“Penal Charges”** shall have the meaning assigned to such term in Clause 4.2 of this Agreement.

**“Purpose”** shall mean the purpose as mentioned at Serial No. 6 of Schedule.

**“Repayment Schedule”** shall mean the dates on which repayment of the principal of the Facilities with Interest is to be made by the Borrower. The Repayment Schedule in relation to the Facilities shall be provided by the Bank to the Borrower prior to first Due Date, which Repayment Schedule may be amended and modified by the Bank, in its sole discretion, from time to time.

**“Security”** means a mortgage, hypothecation, charge, pledge, lien or other security interest created or executed in favour of the Bank as mentioned in Serial no. 8 of Schedule to secure the Total Indebtedness / Secured Obligations;

**“Secured Assets”** means the property(ies) and asset(s) over which Security is created by the Borrower as more particularly provided in Schedule.

**"Security Documents"** means any guarantee and/or any other documents creating, perfecting and or evidencing any charge, mortgage, pledge, lien, encumbrance, assurance, undertaking and any other right, title or interest of any kind to guarantee, secure or otherwise assure the performance of the obligations of the Borrower under or in connection with the Facilities;

**"Schedule"** means and includes the Schedule and the annexures of this Agreement and forms part of this Agreement.

**"Taxes"** includes all present and future taxes, levies, imposts, duties, stamp duty of a similar nature together with any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same;

**"Total Indebtedness" / Secured Obligations"** means at any time, all amounts (whether of principal, interest, fees, costs, charges, expenses or otherwise) owing or payable (whether certain or contingent and whether as surety or as principal) from the Borrower either solely or jointly with any other person(s) to the Bank arising out of or in connection with the Facilities pursuant to the terms and conditions of any Facility Document and including, without limitation, any amounts for which the Borrower is liable to indemnify the Bank in any matter whatsoever.

### Interpretation

1. The headings in the Agreement are inserted for convenience only and shall be ignored in construing the Agreement.
2. Unless the context otherwise requires, words (including words defined herein) denoting the singular number shall also include the plural number and vice versa, and words denoting any gender shall include any other gender.
3. All references to any document or agreement are to be construed as references to such document or agreement as amended, varied, modified or supplemented from time to time and any document or agreement in addition to or in substitution thereof.
4. This Agreement with all the Schedule(s) shall constitute the entire agreement between the Parties.
5. A reference to: an "Obligor", "Borrower", "Bank" and any person includes its successors in title, personal representatives, permitted assigns and transferees (where applicable);  
a "person" includes any person, firm, company, corporation, government, state or agency of a state, governmental or quasi-governmental bodies or authorities or any society, association or partnership, limited partnership, limited liability partnership or any other entity (whether or not having separate legal personality);  
a "guarantee" includes an indemnity, bond or counter-indemnity, howsoever described, issued by any person in respect of any obligation of any other person;
6. Where two or more persons are included in the term "Borrower" and "Obligor":
  - a. all covenants agreements terms conditions provisions restrictions or obligations shall be deemed to be made by and binding on and applicable to them jointly and each of them severally and shall also be binding on and applicable to their respective successors and permitted assigns jointly and severally;
  - b. any notice given by the Bank to any of the Borrower shall be binding on the others and any notice or demand given by the Bank to any one of the Borrower shall be deemed to be served on all of them.

## 2. FACILITIES

- 2.1. Subject to the terms of this Agreement and the Facility Documents, the Bank makes available to the Borrower the Facilities. The Facilities may be disbursed and/or may be made available to the Borrower at the sole and absolute discretion of the Bank. The decision of the Bank in this regard shall be final, conclusive and binding on the Borrower and shall not be questioned by the Borrower under any circumstance.
- 2.2. Application of Advance: Notwithstanding any other provision of the Facility Documents, if on any date an amount ("**First Amount**") is to be advanced by the Bank and an amount ("**Second Amount**") is due from the Borrower to the Bank, the Bank shall apply the First Amount in payment of the Second Amount. The Bank shall advance any excess (or, as the case may be, the Borrower shall pay any shortfall) in accordance with the Facility Documents.
- 2.3. Drawdown: Subject to compliance with the terms and conditions of this Agreement, the Facilities may be drawn by the Borrower during the Availability Period on the condition as mentioned in the Serial No.11 of the Schedule ("Drawdown").

## 3. INTEREST, TAXES, STATEMENT OF ACCOUNT AND OTHER CHARGES

- 3.1 **Rate of interest**: The Borrower shall pay to the Bank Interest Rate and the rests as specified by the Bank from time

to time, currently as set out in the Schedule, which may be subject to change at the sole discretion of the Bank and/or as per directives of Reserve Bank of India. All interest (including default interest) under the Facility Documents shall accrue on a daily basis and shall be calculated based on the actual number of days elapsed, with monthly rests or such other periodic rests as the Bank may prescribe and based on a 365/366 -day year. Without prejudice to the general right available to the Bank to vary or amend the Repayment Schedule, from time to time, the Bank shall be entitled to amend the Repayment Schedule (including without limitation varying the amount of each EMI), in case of: (a) any change occurring in the interest rate applicable to the Facilities as set out above, to reflect the change in the interest rate; and/or (b) disbursement of the Facilities in tranches/parts, each time a tranche is disbursed under the Facilities.

**3.2 Taxes:** The Borrower will pay all Taxes now or hereafter imposed by law on the Bank in respect of the Facility Documents or on any payment under the Facility Documents. The Bank shall have the right to debit the same from any account of the Borrower. The Borrower will pay all amounts free and clear of any deduction of tax or levy or counterclaim. If the Borrower is required by law to make any such deduction, or counterclaim, the Borrower shall within 7 Business Days of the payments being made to the taxation authorities, deliver to the Bank satisfactory evidence in accordance with the prevailing tax laws as may be amended from time to time, that the tax has been deducted at source and duly remitted to the appropriate authority.

**3.3 Statement of Account/Certificate:** A statement or certificate issued by the Bank on a rate or amount under or in connection with the Facilities or the Facility Documents shall (in the absence of manifest or computational error) be final and conclusive against the Borrower.

**3.4 Other Charges:** The Borrower agrees and acknowledges that the disbursement of the Facilities shall be subject to payment of processing charges and other charges including but not limited to stamp duty, registration fees, lawyer's fees and costs and other charges etc (as mentioned in the Offer Letter and /or as stipulated in the schedule of charges attached to the loan application form and updated from time to time on the Bank's website - <https://www.dbs.com/digibank/in/loans/consumer-loan-against-property> ("Schedule of Charges"), which the Borrower shall reimburse to the Bank in addition of the Facilities and the interest accrued thereon. If the Facilities are not utilized, or the Facilities are only partially draw-down at the end of the Availability Period, then the Borrower shall pay a cancellation fee as mentioned in the Schedule of Charges. The Borrower shall be liable to pay to the Bank, prepayment charges on the amount prepaid by the Borrower to the Bank, at such rate as may be prescribed by the Bank from time to time.

The Borrower shall be solely responsible and liable for payment of all costs, charges, fees and expenses for periodic valuation, inspection, insurance, lawyers' fees, stamp duty, registration fees, verification and investigation of title of the property, penalties, etc payable with respect to the negotiation, execution and enforcement of the Facility Documents and Security Documents. If the Bank is called upon to pay any additional or differential stamp duty and/or penalty or any additional or differential stamp duty and/penalty is payable on the Facility Documents due to the amount of stamp duty that has been paid is inadequate or due to any change in the applicable laws and/or its interpretation or due to any other reason whatsoever, the Borrower shall forthwith on demand by the Bank or the relevant authority pay such stamp duty and/or penalties. The Borrower hereby indemnifies and shall keep the Bank indemnified at all times from and against all such costs, charges, stamp duty and penalties as aforesaid, which may be incurred or loss suffered by the Bank in relation to the Facility Documents.

**3.5 Increased Costs:** If by a reason of (i) any change in law or in its interpretation or administration and /or (ii) compliance with any request from or requirement of any central bank or other fiscal, monetary or other authority (including without limitation, a request or requirement which affects the manner in which the Bank is required to or does maintain capital resources having regard to the Bank's obligations hereunder and to amounts owing to it hereunder)-

- a) the Bank incurs a cost as a result of the Bank having entered into and/or performing its obligations under this Agreement and/or assuming or maintaining a commitment under this Agreement and/or making or continuing an advance hereunder; or
- b) the Bank is unable to obtain the rate of return on its overall capital which it would have been able to obtain but for the Bank having entered into and/or performing its obligations and/or assuring or maintaining a commitment under this Agreement; or
- c) there is any increase in the cost to the Bank of funding or maintaining the Facility made or to be made by the Bank hereunder; or

- d) the Bank becomes liable to make any payment on account of tax or otherwise, (but not being a tax imposed on the net income of the Bank's Facility Office by the jurisdiction in which it is incorporated or in which its Facility Office is located) on or calculated by reference to the amount of the advance made or to be made by such Bank hereunder and/or any sum received or receivable by it hereunder:  
then the Borrower shall from time to time on demand of the Bank promptly pay to the Bank amounts sufficient to indemnify the Bank against, as the case may be (1) such cost (2) such reduction in such rate of return (or such proportion of such reduction as is, in the reasonable opinion of the Bank attributable to its obligations hereunder), (3) such increased cost (or such proportion of such increased cost as is, in the reasonable opinion of the Bank attributable to its funding or maintaining an advance hereunder) or (4) such liability.

#### **4. REPAYMENT / PREPAYMENT**

- 4.1 The Borrower shall and hereby agrees and undertakes to repay the amount outstanding under the Facilities in accordance with the Repayment conditions as mentioned at Serial No. 9 of the Schedule. The Bank shall be entitled to demand immediate repayment of the entire amount of Facilities outstanding if any portion of any principal amount of Facility or any interest due thereon is not paid as and when it is due to be paid or on occurrence of Event of Default.

##### **4.2 Penal Charge**

- a. In the event of occurrence of any Event of Default, the Borrower agrees to pay to the Bank a charge on the unpaid amount / Total Indebtedness, at the rate mentioned in Schedule I ("Penal Charge") over and above the applicable Interest Rate.
- b. In the event of occurrence of any or all of the below event(s) the Borrower agrees to pay to the Lender Penal charges as mentioned in Schedule I ("Penal Charges") :
- i. In the event of Material Breach related to Borrower's non-payment of EMI or any other charges and amount as per terms of this Loan Agreement, the Borrower agrees to pay to the Lender Penal Charges on overdue EMI amount. Penal Charges shall be calculated daily based on the actual number of overdue days. Without prejudice to the foregoing, if the Lender recalls the Loan or any part of it, the Borrower shall have to pay Penal Charges on the Outstanding Balance due and owing to the Lender from the date of recall until the date of receipt of full payment by the Lender.
- ii. In the event of Material Breach (other than non-payment as mentioned in 4.2 (i) above) by the Borrower, the Penal Charges as mentioned in Schedule I will be charged till Material Breach has been cured by the Borrower to the satisfaction of the Lender. Without prejudice to the foregoing, if the Bank recalls the Loan or any part of it, the Borrower shall have to pay Penal Charges on the Total Indebtedness due and owing to the Bank from the date of recall until the date of receipt of full payment by the Bank.

Provided that nothing contained in this Clause shall affect or prejudice the right of the Bank to declare an Event of Default and exercise the rights vested in it under of this Agreement.

- 4.3 The Borrower may, prepay the whole or part of any of the outstanding Facilities (including interest, fees and charges) which shall be subject to the payment of the prepayment charges as may be prescribed by the Bank and the Bank may cancel further disbursements under the Facilities at its sole discretion.

##### **4.4 Order of settlement of dues:**

All payments made by the Borrower hereunder shall be adjusted in the manner of priority as set out hereunder:

- (i) firstly towards the payment of any dues (other than dues under this Agreement) of the Borrower to the Bank;
- (ii) secondly indirect taxes paid by the Bank which are directly connected to the Facilities any charges and/or default interest in relation to this Agreement or payable by the Borrower towards arrears of interest, and
- (iii) finally towards principal amounts of the respective Facilities due and payable by the Borrower in relation to each of the Facilities.

- 4.5 Any payment which is due to be made on a day shall be made on the same day whether that day is a Business Day or not. During any extension of the Due Date for payment of any principal or outstanding balance, interest is payable on the principal or balance outstanding at the rate payable as on the original Due Date.

- 4.6 The Bank may at any time and from time to time, at its sole discretion, review the Facilities or any part thereof and demand repayment along with all interest due and payable and all liabilities and other obligations of the Borrower thereunder to the Bank including interest, and other charges shall become due and payable by the Borrower immediately to the Bank.

- 4.7 The Bank may at any time, at its sole discretion without assigning any reasons and without notice to the Borrower cancel the undisbursed amounts under the Facilities or any part thereof and demand repayment of the disbursed Facilities thereof, and thereupon such Facilities, all interest due and payable thereon and all liabilities and other

obligations of the Borrower thereunder to the Bank including interest, and other charges shall become due and payable by the Borrower immediately to the Bank.

## 5. REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS

5.1 The Borrower hereby undertakes, represents and warrants that:

- (i) all approvals and actions on the part of the Obligor necessary for the execution and delivery of the Facility Documents have been duly taken by the Obligor and are and shall be in full force and effect. The execution of this Agreement is not restricted by the incorporation documents or any other agreement executed by the Borrower. The Borrower does not and shall not violate any law, regulations, covenants, conditions under any existing agreement or arrangement entered into by the Borrower with any third party, by availing the Facilities from the Bank now or in future.
- (ii) the person(s) executing the Facility Documents on behalf of the Obligor is/are entitled to do so and has/have been duly authorized to sign the Facility Documents.
- (iii) all the information submitted and to be submitted to the Bank for and relating to the Facilities are and shall continue to be true, correct and authentic.
- (iv) there is no action, suit or recovery/attachment proceeding or investigation pending or to the knowledge of the Borrower threatened by or against the Obligor and/or the Security before any court or government authority or any other competent authority which might have a material effect on the financial and other affairs of the Obligor or which might put into question the validity/enforceability or performance of the Facility Documents under or any of its terms and conditions.
- (v) the Borrower is a major, who is competent to enter into the Agreement and is of sound mind.
- (vi) the Borrower shall at all times maintain sufficient balance in its account as is notified to the Bank to ensure repayment of the outstanding Facilities and / or each EMI.
- (vii) any dispute about interest computation shall not entitle the Borrower to withhold repayment of the outstanding Facilities and / or EMI.
- (viii) the Borrower shall not and shall ensure that no Obligor shall substantially alter the nature of its business or amend any provision in its constitutional documents relating to its principal business activities or its power to borrow, secure or guarantee.
- (ix) the Borrower shall and shall procure that each Obligor shall ensure that its obligations under Facility Documents are unconditional and un-subordinated and will at all times rank at least *pari passu* with all its other unsecured and unsubordinated obligations (except for such obligations mandatorily preferred by law).
- (x) The Borrower shall not and shall ensure that no Obligor shall undertake or permit any re-organization, amalgamation, reconstruction, take-over or any other schemes of compromise or arrangement affecting its present constitution without the prior written consent of the Bank.
- (xi) the Borrower shall not, and will ensure that none of the Obligor will, sell, transfer, lease out or dispose of a substantial part of Secured Assets which, either alone or when aggregated with all other disposals required to be taken into account under this paragraph, is substantial in relation to Secured Assets, or the disposal of which (either alone or when so aggregated) could have a material or adverse effect on it or would prejudice in any way the Bank's security or interest in the Security.
- (xii) the Borrower shall not incur any expenditure of capital nature other than in the ordinary course of business and as approved by the Bank.
- (xiii) the Borrower shall at times ensure that all the Secured Assets and business of the borrower are adequately insured to the satisfaction of the Bank.
- (xiv) the Borrower shall not and shall ensure that none of the Obligor shall create or permit to arise or subsist any mortgage, charge (whether fixed or floating), pledge, lien or any other encumbrance or any other agreement or arrangement having substantially the same effect on Security provided to the Bank for securing the Facilities without the prior written consent of the Bank.
- (xv) the Borrower will, and will procure that each of the Obligor will, at all times comply with all applicable anti-money laundering, anti-bribery, anti-corruption, counter-terrorism financing, and economic or trade sanctions laws and regulations (including any sanctions imposed by Singapore, the United States of America, the European Union, the United Kingdom, the United Nations and other governmental and/or regulatory authorities against certain countries, entities and/or individuals).
- (xvi) the Borrower warrants to Bank that all information provided by it or Obligors for the purposes of the Facility Documents is true and accurate in all material respects as at the date it was provided and is not misleading in any



respect.

- (xvii) The Borrower hereby agrees and acknowledges that in the event the Borrower's account is flagged for potential irregularities, the Bank shall have the right to appoint an auditor to conduct an audit of the Borrower including but not limited to the Borrower's financial records, books and accounts, operations. The Borrower further agrees to cooperate fully with the auditors and provide all required documentation and information within the stipulated timelines. All costs associated with the audit, including but not limited to auditor's fees, shall be borne solely by the Borrower.

Provided however that if the audit report remains inconclusive or its submission is delayed due to the Borrower's non-cooperation, the Borrower agrees that the Bank shall be entitled to conclude on the status of the account as fraud or otherwise, based on the material available in the Bank's records and its own internal investigation or assessment.

- (xviii) the Borrower shall not create any further encumbrances on the Security provided or to be provided to the Bank for securing the Facilities without the prior written consent of the Bank and shall not do any act which would prejudice in any way the Bank's Security or interest in the Security. The Borrower shall not grant any rights in respect of the Security, including the right to use to any person without the prior written consent of the Bank.
- (xix) the Borrower represents and warrants that (i) no proceedings have been initiated or are pending against the Obligors or in respect of any of its income or properties under the Income Tax Act, 1961; (ii) no notice or demand whether under rule 2 of the 17 second schedule of the Income Tax Act, 1961 or otherwise has been received by the Obligors under the Income Tax Act, 1961, and (iii) there are no arrears of tax or other sum outstanding from the Obligors under the Income Tax Act, 1961 nor is there any claim raised by any authority thereunder in respect of any tax or any other sum payable by the obligors as an 'assessee' in terms of the Income Tax Act 1961 or otherwise; The Obligors is in full compliance with Section 281 of the Income Tax Act, 1961 for creating valid, subsisting and enforceable Security in favour of the Bank.
- (xx) The Borrower shall notify the Bank promptly of the occurrence of any of the events as specified in Clause 9 below or any other event, which might affect its ability to perform its obligations under this Agreement or which might if permitted to continue shall turn into any Events of Default.
- (xxi) The Borrower will at all times: (i) comply in all respects with all applicable laws and regulations, including all Environmental Law; and (ii) obtain and maintain any Environmental Permit applicable to it.

"Environmental Law" means any law or regulation concerning:

- (i) the protection of health and safety;
- (ii) the environment; or
- (iii) any emission or substance which is capable of causing harm to any living organism or the environment;

"Environmental Permit" means any authorization required by an Environmental Law;

- (xxii) The Borrower hereby specifically represents, warrants and reiterates that:

- a) The Borrower shall utilize the Facilities only for the purpose approved by the Bank and not for any speculative/ illegal purpose/investment in equities/debt instrument/any other financial investments. The Borrower shall utilize the Facilities in accordance with the extant Reserve Bank of India directions/guidelines and shall provide an end use statement / other relevant proof as acceptable to the Bank, if requested by Bank within the time prescribed by the Bank.
- b) Neither the Borrower nor the partners of the Borrower (as the case may be) is a director or specified near relative (as defined by Reserve Bank of India (RBI) from time to time) of a director of a banking company and/or a scheduled co-operative bank and/or its subsidiary, in India.
- c) Neither the Borrower nor the partners of the Borrower (as the case may be) is a specified near relative of any officer of the Bank.
- d) The Borrower has not been named in any list of defaulters circulated by RBI, Transunion CIBIL Limited, Export Credit Guarantee Corporation or any banking company and its name does not appear in any caution list of any nature published by the RBI or any similar regulatory or Government authority.

5.2 The Borrower confirms that all representations and warranties of the Borrower set forth in the Facility Documents are true, complete and correct in all respects at the time as of which such representations and warranties were made or deemed made.

5.3 All representations and warranties set forth above shall survive the execution, delivery and/or termination of the Facility Document and the making of the drawals hereunder and shall be repeated, by reference to the facts and circumstances then existing, on each day until the Indebtedness has been repaid in full to the satisfaction of the Bank.

- 5.4 The Borrower undertakes to comply with all undertakings (as applicable)/declarations, financial and other covenants, if any, stipulated by the Bank, throughout the life of the Facilities and as set out in the Offer Letter.
- 5.5 The Borrower undertakes and agrees to cooperate with the Bank with respect to compliance with Information Utility Regulations (as amended from time to time) under the Insolvency and Bankruptcy Code 2016 (as amended from time to time) ("Code") and Reserve Bank of India's circular no. DBR.No.Leg.BC.98/09.08.019/2017-18 dated December 19, 2017 (as amended from time to time). The Borrower hereby specifically agree to promptly authenticate the information submitted by the Bank, as and when requested by the Information Utility as defined in Section 3 (21) of the Code.
- 6 The Borrower hereby undertakes and agrees to maintain insurances on and in relation to the Security with an insurance company(ies) against such risks and to such extent as is required in accordance with this Agreement/ Facility Documents and are as contemplated herein in full force and effect and no event or circumstances has occurred nor has there been any omission to disclose a fact which in any such case would entitle any insurer to avoid or otherwise reduce its liability thereunder to less than the amount provided in the relevant policy and insurance coverage provided by such insurance;
- 7 *The Borrower shall duly and punctually pay the premia due on the insurance policies at least one week before the same shall have become due or payable and handover the receipts to the Bank and the Borrower agrees not to raise at any time any dispute as the amount of the insurable interest of the Bank. If the Borrower shall make default in effecting such Insurance as aforesaid or in delivering to the Bank policies or receipts for the premia, it shall be lawful (but not obligatory) for the Bank to effect such insurance or to renew or to pay such premia and keep the Security insured and to debit the expenses incurred by the Bank for this purpose to the said Loan account and the same shall be treated as advances secured by this agreement."*

## **6. CONDITIONS PRECEDENT TO DISBURSEMENT OF LOAN**

- 6.1 The Bank may, at its sole discretion, not disburse any amounts under the Facilities unless the following conditions are complied to the satisfaction of the Bank, unless expressly waived by the Bank:
- a) The Borrower shall have complied with the Condition Precedent and disbursement conditions as stipulated in the Offer Letter and shall have provided all documents and satisfied all conditions stated therein.
  - b) The Borrower shall have satisfied the Bank that no Event of Default and no potential Event of Default have occurred and is continuing under any document / agreement entered between the Borrower and the Bank for availing the Facilities.
  - c) The Borrower shall have satisfied the Bank that no event has happened which, in the opinion of the Bank would result in a Material or Adverse Change.
  - d) All Facility Documents as applicable shall have been executed and have become fully effective in accordance with their respective terms.
- 6.2 Further Act or Assurance: The Borrower shall and will procure that each of the Obligor shall at its own expense, immediately execute such documents or take such steps, as the Bank may reasonably require.

## **7. Authority to Debit and SET-OFF**

- 7.1 The Bank is entitled, at any time and without notice to the Borrower, to set-off any obligations of the Bank to the Borrower towards satisfaction of the Secured Obligations and any other obligations of the Borrower to the Bank. The Bank shall be entitled to debit the Borrower's accounts (whether in India or elsewhere and whether alone or jointly with any other person) at any time and without any notice to the Borrower.
- 7.2 The Bank is also entitled to affect any necessary currency conversions at the Bank's own rate of exchange then prevailing. If an amount is unascertained, the Bank may estimate that amount and set-off or debit in respect of the estimate, subject to final settlement between the Borrower and the Bank when that amount is ascertained.
- 7.3 The Bank shall not be liable or responsible, in any manner or extent whatsoever, including for any consequential damages, in the event any cheque, payment instrument and/or payment instruction is dishonored or returned or not acted upon due to there being no or insufficient balance in the account or accounts of the Borrower with respect to which the Bank has exercised its right of set-off.

## **8. SECURITY**

- 8.1 The Secured obligations of the Borrower shall be secured by creation of Security as detailed at Serial No. 8 of the Schedule



- 8.2 The Borrower shall, from time to time at the request of the Bank do all such acts and/or execute all such documents as the Bank may consider necessary for creating and perfecting the Security in favour of the Bank/ Person acting on behalf of the Bank. Further, the Borrower shall ensure that all formalities, filings, registrations etc. (including but not limited to the filing of e-Forms (in the prescribed form) and issuance of certificate of registration of charge by the Registrar of Companies and the necessary filing with Central Registry of Securitisation Asset Reconstruction and Security Interest of India and registration of the security documents with Registrar of Sub Assurances) that are required to be complied with and all stamp, registration duties and charges that are required to be paid in connection with the relevant Security Documents have been complied with or paid to the satisfaction of the Bank.
- 8.3 The Bank has the right to review the Security and also to call for additional Security if in its opinion, the existing Security is not sufficient and/or the existing Obligor (s) are or will be unable to perform their obligations.
- 8.4 The Borrower shall execute demand promissory notes as may be required by the Bank in favour of the Bank for the amount of the Facilities, from time to time.
- 8.5 The Security given pursuant to this Agreement or under any document in terms of this Agreement or otherwise at any time in future shall be and remain a continuing security and accordingly shall:
- (a) not be discharged by any intermediate payment by the Borrower or any settlement of accounts between the Borrower and the Bank;
  - (b) be in addition to and not in substitution for or derogation of any other security which the Bank may at any time hold in respect of the Secured Obligations/obligations hereunder;
  - (c) be a Security for all amounts due and payable by the Borrower under this Agreement.
- 8.6 The Security created and indemnities and undertakings given herein and/or Security Document(s) shall operate as continuing security and/or indemnities and/or undertakings for Secured Obligations and liabilities under the Facilities and any other dues to the Bank and will operate as Security for the ultimate balance or aggregate balance with interest thereon and costs charges and expenses if any.

## 9. EVENTS OF DEFAULT AND REMEDIES OF THE BANK

- 9.1 Each of the events or circumstances set out in this clause shall be an event of default:
- (i) **Failure to Pay:** A failure by any Obligor to pay any amount due from it under any of the Facility Documents at the place and in the currency in which it is expressed to be payable on the due date or on demand if so payable;
  - (ii) **Breach of representation, warranty or undertaking:** Any representation, warranty, declaration or undertaking provided by any Obligor in any Facility Document or the Application Form or in any document delivered thereunder is not complied with, or is or proves to have been incorrect in any respect when made or any Obligor does not perform or comply with any of the provisions under any Facility Document to which it is a party; If the Obligor commits any breach or default in performance or observance of any covenant, obligation, term, condition or undertaking set out under this Agreement, any security documents or any other agreements executed in connection with the Loan.
  - (iii) **Insolvency:** Any Obligor is (or is deemed by law to be) insolvent or unable to pay its debts, suspends or threatens to suspend payment of any of its debts or takes any other step with a view to rescheduling all or a material part of (or of a particular type of) its indebtedness, proposes a general assignment, arrangement or composition with any creditor, or a moratorium is agreed or declared in respect of all or a material part of (or a particular type of) its indebtedness or assets; or any corporate action, legal proceeding or step is taken in relation to the bankruptcy, winding up, dissolution, termination, administration, judicial management, provisional supervision or reorganization (by way of a voluntary arrangement, scheme of arrangement or otherwise) of any Obligor or for the appointment of a liquidator (including a provisional liquidator), receiver and/or manager, judicial manager, trustee, administrator, agent or similar officer in respect of any Obligor, or over any of its respective assets or any analogous step is taken in any jurisdiction;
  - (iv) **Other defaults:** Any indebtedness (whether actual or contingent), or any commitment for any indebtedness, of the any Obligor, is not paid when due, or is capable of being declared due and payable before its normal maturity or in the case of any such commitment, is capable of being cancelled or terminated as a result of any default (howsoever described) or if any Obligor defaults under any foreign exchange transactions (or other similar transactions) or any derivative transactions;
  - (v) **Insurance:** (a) The Borrower fails to procure and maintain insurance on the Security in accordance with the Facility Documents; (b) Any insurance contracted or taken by the Borrower is not, or ceases to be, in full force and effect, at any time when it is required to be in effect or any insurance is avoided, or any insurer or re-insurer avoids or suspends or becomes entitled to avoid or suspend, any insurance or any claim under it or otherwise reduce its

liability under any insurance or any insurer of any insurance is not bound, or ceases to be bound, to meet its obligations in full or in part under any insurance

- (vi) Modification or revocation of consents: any of the consents, authorizations, licences, approvals, waivers or resolutions referred to as a requirement for the utilisation of the Facilities in the Facility Documents shall be modified in a manner unacceptable to the Bank or is not granted or shall be wholly or partly revoked, withdrawn, suspended or terminated or shall expire and not be renewed or shall otherwise fail to remain in full force and effect.
  - (vii) Litigation: any investigation, legal proceedings, suits, arbitration or actions of any kind whatsoever (whether criminal or civil) shall be instituted against any Obligor;
  - (viii) Invalidity, Repudiation and Illegality: any provision of any of the Facility Documents is or becomes, or is claimed by the Obligor to be, for any reason invalid or unenforceable; or it is or will become unlawful for the Borrower to perform or comply with any of its obligations under any of the Facility Documents to which it is a party.
  - (ix) Cessation of Business/Expropriation/Compulsory Acquisition: any Obligor changes or threatens to change the nature or scope of its businesses, ceases or suspends or threatens to cease or suspend all or a substantial part of its business operations or any governmental or other authority takes any step to seize, expropriate, nationalise or compulsorily acquire all or a substantial part of its assets, undertakings or properties.
  - (x) Execution: the security or any part of the security becomes enforceable or a distress, attachment, writ of seizure and sale, garnishee order, injunction or any form of execution is levied or enforced upon or issued against the security
  - (xi) Material or Adverse Change: any event or change or series of events or changes occurs which, in the Bank's opinion, might have a material or adverse effect on: (i) the business, assets, operations, property, condition (financial or otherwise) or prospects of any Obligor (ii) the ability of any Borrower to perform its obligations under any Facility Document; (iii) the validity or enforceability of any Facility Document; or (iv) the rights or remedies of the Bank under any Facility Document.
  - (xii) if any circumstance or event occurs which in the view of the Bank would or is likely to prejudicially or adversely affect in any manner the capacity of the Borrower to repay the Facilities or any part thereof including without limitation upon the Borrower ceasing to enjoy the confidence of the Bank;
  - (xiii) Security in Jeopardy: If any circumstance or event occurs which, in the sole opinion of the Bank is prejudicial to or impairs or imperils or jeopardise or is likely to prejudice, impair, imperil, depreciate or jeopardize the Security given by the Obligor or any part thereof;
  - (xiv) Incapacity: any Obligor dies, becomes of unsound mind or suffers from any disability or incapacity.
  - (xv) Business in Jeopardy: the Borrower's business is, in the opinion of the Bank in jeopardy.
  - (xvi) Change of status: the Borrower ceases to be duly incorporated and validly existing under the laws of its jurisdiction of its incorporation.
  - (xvii) Condition in financial markets: if there occurs, in the opinion of Bank, a material adverse change or any development which may result in a prospective material adverse change in the monetary, political, financial (including conditions in any of the financial markets) or economic conditions or exchange control in India or internationally (including any changes in stock, bond, currency, interbank or property market conditions, in interest rates or in existing foreign exchange controls;
  - (xviii) Analogous events: If any other events comparable or analogous to any events specified in Paragraphs (iii), (iv), or (vi) shall happen in relation to the Borrower or any of the Obligor in any jurisdiction in which the Borrower or any of the Obligor is organised, domiciled or resident (as the case may be) or carries on business or has assets or liabilities;
  - (xix) If it is certified by a chartered accountant or a firm of chartered accountants appointed by /acceptable to the Bank (which the Bank is entitled and is hereby authorized to do 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.
  - (xx) If the Bank determines, following internal investigation or audit conducted as a red- flagging of the Borrower's account, that the Borrower has committed fraud or made any material misrepresentations in connection with the Facilities, the Bank shall have the right to, by notice to the Borrower to immediately terminate the Facilities and declare all outstanding amounts under the Facilities to be immediately due and payable. Additionally, the Bank reserves the right to pursue any additional legal remedies available to it under applicable laws.
- 9.2 On the question whether any of the above events /circumstances has occurred /happened, the decision of the Bank shall be final, conclusive and binding on the Borrower.
- 9.3 Without prejudice to any other terms in the Facility Documents (including without limitation, Bank's right of review and Bank's right to demand immediate repayment of any Facilities), if any Events of default occurs, Bank may by notice to the Borrower terminate the Facilities whereupon such Facilities (or any part thereof) shall be

immediately cancelled and/or declare the Facilities to be immediately due and payable to the Bank, whereupon it shall become so due and payable. Thereafter:

- (i) (a) The Bank shall be entitled to immediately exercise all or any rights, powers or remedies under Facility Documents without any restriction; (b) any sum repaid to the Bank by or for the account of the Borrower shall be applied at the Bank's sole discretion towards the settlement and discharge of the Borrower's liabilities and obligations on any account; (c) sue for creditors' process and/or exercise rights with respect to the Security in accordance with the Facility Documents, including enforcement of the Security; (d) levy additional default interest; and (e) the part of Facilities which has not been drawn-down, utilized or cancelled shall automatically be cancelled and forthwith cease.
  - (ii) If the Bank determines that the Borrower is or will be unable to perform its obligations under any Facility Document, the Bank may appoint, or require the Borrower to appoint, a special consultant and/or an independent asset management or stock monitoring professional ("Special Consultants") acceptable to the Bank, to audit the Borrower, to render advisory and asset management services in relation to all or any of the assets and properties the subject of any Security Documents or perform such other duties as the Bank may require. Such Special Consultants shall be the agents of the Borrower which will be solely responsible for the Special Consultants' actions and remuneration.
- 9.4 The Borrower agrees to accept the Bank's accounts of sales and realizations as sufficient proof of any amounts realized and relative expenses and other matters stated therein and to pay on demand any shortfall or deficiency due to the Bank.
- 9.5 In the event of default for failure to pay any amount due from the Borrower under any of the Facility Documents on the due date or on demand, the Borrower's account shall be classified as special mention account ("SMA") and non-performing assets ("NPA") in accordance with the RBI Circular - RBI/2021-2022/125 - DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' read along with RBI 'Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances' dated October 1, 2021 and amendments or further clarifications thereto. The example of the SMA/ NPA classification dates are more particularly set out in Annexure D of this Agreement.

## 10. CONSENT CLAUSE

- 10.1 The Borrower agrees that in addition to any other rights enjoyed by the Bank, in the event of the Borrower committing any default, the Bank shall be entitled to disclose, report and publish the Borrower's name and the names and photograph of the partners, proprietors etc of the Borrower to the RBI or any other entity or instrumentality, as defaulters (including as willful defaulters) / non-co-operative borrower in such manner and through such medium as the Bank may in its absolute discretion may deem fit.
- 10.2 The Bank may disclose any information in connection with the Borrower, the Borrower's account or the Facilities to (a) any person to whom such disclosure is required or permitted under any law or regulation or required by any court, government authority or regulator; (b) any Obligor; (c) any person to whom the Bank assigns, transfers or sub-participates (or intends to assign, transfer or sub-participate) any rights or obligations of the Bank; (d) any person for the purposes of enforcing or protecting the Bank's rights and interests; (e) any person in connection with any insolvency or other analogous proceedings in relation to any Obligor or any Affiliate of any Obligor; (f) any entity of the Bank Group; (g) such third parties including but not limited to credit rating agencies as the Bank may, in its sole and exclusive discretion, deem fit and proper, (h) to any third party Debt Collection agencies in the Event of Default and such third party representative will be entitled to conduct Telecalling/field visitation to the Borrower's demographic locations for collection of overdues as recorded in the Bank's data (the details of the empanelled Debt Collection agencies with the Lender is uploaded on the website [www.dbs.com](http://www.dbs.com)), (i) any person in connection with the provision of insurance or services to meet Bank Group's operational, administrative or risk management requirements and (j) to any Bank's agents, contractors or third party service providers or professional advisers who are under a duty of confidentiality to the Bank as the case may be, and who provide services administrative, telecommunications, computer, payment, collections, security, clearing, credit reference or checking, or other services or facilities to the Bank under or in connection with the Loan and/or the operation of the Bank's business;

## 11. COST AND EXPENSES

The Borrower shall on demand indemnify the Bank from and against all costs, expenses, Taxes, losses, liabilities whatsoever (including legal fees on a full indemnity basis) which may be incurred by the Bank in connection with (i) the preparation, negotiation, execution, delivery, perfection or enforcement of the Facility Documents or the Facilities or any third party claim or order against the Borrower's account with the Bank (including abortive fees, costs and expenses); (ii) breakfunding and other costs for any advances prepaid, any advances requested for but not made, unwinding costs for foreign exchange, or any derivative transactions terminated before the contracted maturity date; and (iii) any breach by any Obligor under any Facility Document or any enquiry, investigation, subpoena (or similar order), litigation, arbitration or administrative proceedings with respect to an Obligor and/or any Affiliates of the Borrower or with respect to the transactions contemplated under the Facility Documents.

## **12. SERVICE OF NOTICES, STATEMENTS, ETC.**

Any notice, statements, correspondences, confirmations or requests (the "**Notices**") to be given or made by a party to the other shall be in writing. Such Notice shall be deemed to have been duly received by the party to whom it is addressed if it is given or made at such party's address specified below or at the address such party shall have designated by notice to the other party by giving a notice at the below mentioned address:

**If to the Bank:** DBS Bank India Limited. at the address mentioned at Serial No. 2 of the Schedule written hereunder and shall be deemed to have been received by the Bank when it is actually received by it.

**If to the Borrower:** The address as detailed at Serial No. 1 of the Schedule written hereunder or the last available address with the Bank and shall be deemed to have been received by the Borrower if given by post, on the expiration of three days after the same shall have been delivered to the post 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 or communication that the same was so given or made shall be final and conclusive.

## **13. RIGHTS CUMULATIVE AND NO WAIVERS**

No failure or delay by the Bank in exercising any right or remedy hereunder shall operate as a waiver hereof nor shall any defective or partial exercise of any right or remedy prevent any other or further exercise of that or any other right or remedy. No course of conduct or negotiation on the Bank's part shall preclude the Bank from exercising any such right or constitute a waiver of any such right. Any waiver of Bank's rights must be in writing.

## **14. RIGHTS BINDING ON THE BORROWER**

The rights given to the Bank in the Facility Documents shall be binding on the Borrower and shall not be determined or in any way prejudiced or affected by (i) any liquidation (whether compulsory or voluntary) affecting any Obligor or any change in any Obligor's constitution whether by way of amalgamation, consolidation, reconstruction or otherwise, or (ii) any change in the Bank's constitution whether by way of amalgamation, consolidation, reconstruction or otherwise, or (iii) any death, bankruptcy, insanity or other disability affecting any Obligor.

## **15. SEVERABILITY**

The illegality, invalidity or unenforceability of any provision or part thereof of the Agreement and/or any other Facility Document under the law of any jurisdiction shall not affect or impair the validity, legality and enforceability of any other provision or part of the provision and the remaining provisions of the Agreement and/or any other Facility Document shall be construed as if such invalid, unlawful or unenforceable provision or part thereof had never been contained in the Facility Documents.

## **16. ASSIGNMENT AND TRANSFER**

The Borrower shall not assign or transfer any of its rights or obligations under any Facility Documents except with the prior written consent of the Bank. The Bank may make the Facilities available and receive the benefit of any payment due to it through any of its offices and may at any time without the consent of and without notice to the Borrower assign or transfer all or any part of its benefits, rights and/or obligations under any of the Facility Documents to any person as Bank shall in its absolute discretion think fit including by way of risk participation which shall be governed by terms of the UNIFORM CODE GOVERNING INTER BANK PARTICIPATIONS, 1988 as may be amended from time to time by Reserve Bank of India or direct transfer or otherwise any of its rights, benefits or obligations under the Facility Documents to any party without the requirement of any further consent of and without notice to the Borrower. Any such assignee or transferee shall be entitled to the full benefit of such rights and/or obligations as if it were Bank in

respect of the rights and/or obligations assigned or transferred to it. If Bank assigns or transfer all or any part of its rights and/or obligations, all references in the Facility Documents to DBS shall thereafter be construed as a reference to the Bank and/or its assignees and/or transferees. Pursuant to the Uniform Code, Bank would continue to protect the participating bank's interest during the period of participation.

#### **17. GOVERNING LAW & JURISDICTION**

17.1 This Agreement shall be governed by and interpreted in accordance with the laws of India.

17.2 In the event of any dispute arising under this Agreement the court in the city as mentioned in Serial No. 10 of the Schedule shall alone have jurisdiction to entertain and try the proceeding arising out of such a dispute and accordingly the parties hereto submit to the exclusive jurisdiction of such courts/tribunals. Nothing contained in this paragraph shall limit the right of the Bank to take proceedings against the Borrower/ Obligors in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the Bank from taking proceedings in any other jurisdiction, whether concurrently or not.

**IN WITNESS WHEREOF THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED ON THE DAY AND YEAR FIRST HEREINABOVE WRITTEN AND IN THE MANNER HEREINAFTER MENTIONED**

#### **Signed and Delivered by Borrower**

Mr/Mrs \_\_\_\_\_  
(Applicable where Borrower is an Individual)

OR  
Through Authorised Partner(s) \_\_\_\_\_  
[Applicable where Borrower is a Partnership Firm / Limited Liability Partnership]

OR  
Through its sole Proprietor Mr./ Mrs.  
[Applicable where Borrower is a Proprietorship Firm]

**Signed and Delivered by DBS Bank India Limited.,  
Through its duly Constituted Attorney  
Mr. \_\_\_\_\_**

FOR \_\_\_\_\_  
\_\_\_\_\_

## SCHEDULE

S No	Particulars	Details
1	Name & Registered Address of Borrower	
2	Bank's Branch Office	
3	Details of the Facilities	<b><u>Loan Against Property:</u></b>  <b><u>Overdraft:</u></b>
4	Details of Offer Letter	Offer Letter Ref No ..... (as amended / supplemented / modified from time to time)
5	Availability Period	<b><u>Loan Against Property:</u></b>  <b><u>Overdraft:</u></b> 12 months (Renewable until total tenor of the loan against property)
6	Purpose of the Facilities	
7	Rate of Interest and Reset (as currently applicable)	<b><u>Loan Against Property:</u></b> Rate of Interest: ____% (current Repo Rate + ____%p.a.)  <b><u>Overdraft:</u></b> Rate of Interest: ____% (current Repo Rate + ____%p.a.)  <b><u>Interest reset:</u></b> Interest reset date would be 7 <sup>th</sup> day of the each quarter (i.e. 7 <sup>th</sup> Jan, 7 <sup>th</sup> Apr, 7 <sup>th</sup> Jul and 7 <sup>th</sup> Oct) or 7 <sup>th</sup> day of the subsequent month in which the RBI Policy Repo Rate is changed whichever is earlier
8	Security	
9	Repayment Conditions	<b>EMI Date: 4<sup>th</sup> of every Month.</b> The Borrower shall and hereby agrees and undertakes to repay the amount outstanding under the Facilities in accordance with the Repayment Schedule as under: <b>Repayment Schedule _____ months</b> <b>Repayment Conditions applicable for Overdraft:</b> The Borrower agrees that the amount outstanding under the Facilities shall notwithstanding anything contained herein be and is always forthwith payable on demand received from the Bank. The Borrower agrees to repay the amount outstanding under the Facilities without any delay, demur or protest, together with interest forthwith, on written demand of Bank on the Borrower. Provided always, the Borrower shall and hereby agrees and undertakes to repay the amount outstanding under the Facilities on or before the expiry of the period for which the Facilities have been sanctioned.
10	Place of Jurisdiction	
11	Drawdown conditions	<b>Drawdown Conditions applicable for Loan Against Property:</b> 1. Subject to compliance with the terms and conditions of this Agreement, the Facilities may be drawn by the Borrower during the Availability Period in one or more tranches. 2. The Borrower shall give the Bank a Drawdown Notice for the drawing of the Facilities 4 Business Day's prior or such other period mutually agreed by the Borrower and the Bank. 3. The Drawdown Notice will not be considered to have been duly completed unless: i. the Drawdown Notice specifies: (i) the amount to be disbursed by the Bank; (ii) the proposed date of utilization; ii. Unless the Bank otherwise agrees, the proposed date of utilization is a Business Day within the Availability Period; iii. the Drawdown Notice specifies that no Event of Default or potential Event of Default has occurred and/or is in existence or continuing; iv. the amount proposed to be borrowed when aggregated with the outstanding principal amount(s) borrowed by the Borrower under this Agreement does not exceed the amount sanctioned under the Facility;



		v. the Drawdown Notice sets out the detail(s) of the Borrower's bank account(s) into which the proceeds of the Facility are to be remitted; vi. all conditions precedent as mentioned in the Offer Letter and the Facility Documents have been satisfied; vii. the Security has been validly created in form and substance acceptable to the Bank. 4. The amount of Facilities repaid or prepaid cannot be redrawn. <b>Drawdown Conditions applicable for Overdraft:</b> No drawdown shall be allowed under the Facility: i. after the expiry of the Availability Period ii. unless the amount proposed to be borrowed when aggregated with the outstanding principal amount(s) borrowed by the Borrower under this Agreement does not exceed the amount sanctioned under the Facility; iii. all conditions precedent as mentioned in the Offer Letter and the Facility Documents have been satisfied; iv. the Security has been validly created in form and substance acceptable to the Bank.
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### Annexure A: Key Facts Statement

#### Part 1 (Interest rate and fees/charges)

1	Loan proposal/ account No.		Type of Loan	Loan Against Property				
2	Sanctioned Loan amount (in Rupees)		Rs.					
3	<b>Disbursal schedule</b> (i) Disbursement in stages or 100% upfront. (ii) If it is stage wise, mention the clause of loan agreement having relevant details		(i) 100% Upfront disbursement <input type="checkbox"/> (ii) Disbursement in stages. <input type="checkbox"/> Refer clause 3.1 (b) of the <a href="#">Loan Agreement</a>					
4	Loan term		Months					
5	<b>Equated Periodic Instalment (EPI) details</b>							
	Type of instalments	Number of EPIs	EPI (₹)	Commencement of repayment, post sanction				
	Monthly			Repayment of the Facility shall be due on the 4 <sup>th</sup> of each calendar month. If the Facility is disbursed between the 1 <sup>st</sup> and 20 <sup>th</sup> of any calendar month (both dates inclusive), the first payment shall be due on the 4 <sup>th</sup> of the following month (T+1, where T represents the month of disbursement). If the Facility is disbursed after the 20 <sup>th</sup> of any month, the first payment is due on the 4 <sup>th</sup> of the second following month (T+2).  <b>Tranche Disbursements:</b> For tranche disbursements, the amortization schedule will be revised to reflect the remaining tenor and applicable interest rate. The revised EMI will be debited on the next scheduled EMI date following the disbursement of each subsequent tranche, subject to the disbursement date.				
6	Interest rate (%) and type (fixed or floating or hybrid)			% P.A. and Floating				
7	<b>Additional Information in case of Floating rate of interest</b>							
	Reference Benchmark	Benchmark rate (%) (B)	Spread (%) (S)	Final rate (%) R=(B)+(S)	Reset periodicity (Months)	Impact of 25bps change in the reference benchmark (R)		
					B	S	EPI (₹)	No. of EPIs
	Repo Rate	% P.A.	% P.A.	% P.A.	7 <sup>th</sup> day of each quarter (7 <sup>th</sup> Jan, 7 <sup>th</sup> Apr, 7 <sup>th</sup> Jul and 7 <sup>th</sup> Oct)	NA		
8	<b>Fee/ Charges</b>							
	Payable to the Bank (A)				Payable to a third party through Bank (B)			

		One time/ Recurring	Amount (in ₹ or %) as applicable	One time/ Recurring	Amount (in ₹ or %) as applicable
i	Processing fees + GST	One Time		N.A.	-
ii	Insurance charges	N.A.		- One Time	
iii	Valuation fees	One Time		- N.A.	-
iv	Application Login Fees	One time		N.A.	-
9	<b>Annual Percentage Rate (APR) (%)</b> <sup>1</sup>		% P.A.		
10	<b>Details of Contingent Charges (in ₹ or %, as applicable)</b>				
i	Penal charges, if any, in case of delayed payment	1) Financial Breach: Non- payment of EMI or any other charges and amount as per terms of this Loan Agreement - 3% per annum on the overdue amount will be charged for the defaulted period payable on Monthly basis on EMI due date			
ii	Other penal charges, if any	1) Non-Financial Breach: Borrower's breach of any of the below mentioned Affirmative, Negative & Informative Covenants - 2% p.a. will be charged on the outstanding balance payable on quarterly basis. 2) Security Perfection: Borrower's default in creation and perfection of first and exclusive mortgage over the Property ("Secured Assets") within 30 days from the date of disbursal - 2% p.a. will be charged on the outstanding balance payable on quarterly basis.			
iii	Foreclosure/Part-payment charges, if applicable	NIL			
iv	Charges for switching of loans from floating to fixed rate and vice versa	<=INR 50 L Outstanding: INR 5,000 or 0.5% whichever is lower + GST > INR 50 L Outstanding: INR 10,000 or 0.25% whichever is lower + GST			
v	Loan Cancellation Charges	If the borrower wishes to cancel the Facility and do so within 30 days from the date of disbursement, then the applicable interest rate shall be charged by the Bank from the date of disbursement of the Facility till the cancellation request is received by the Bank. The Facility will accordingly be cancelled, and the total facility amount will be debited from Borrower's account. The Borrower agrees that processing fee, stamp duty and other applicable statutory charges as provided herein, shall not be refunded in case of such cancellation. All the rights under this Facility shall stand extinguished immediately on the cancellation of the Facility and successful repayment of the facility amount.			
vi	Any other charges	1) Cheque bounce charges: NIL 2) Cheque/SI/ECS/NACH swapping charges: ₹500+ GST 3) Repayment Payment Schedule: ₹200+ GST 4) Document retrieval charges: ₹500+ GST 5) LAP New OD (Account maintenance charges): ₹5,000+ GST 6) CERSAI: ₹100+ GST 7) Other charges, e.g. Stamp duty, NOC, etc.: On actuals.  Schedule of Charges displayed on the website - <a href="http://www.dbs.com/digibank/in/loans/consumer-loan-against-property">www.dbs.com/digibank/in/loans/consumer-loan-against-property</a>			

#### Part 2 (Other qualitative information)

1	Clause of Loan agreement relating to engagement of recovery agents	Refer Clause 10.2 of the Loan Agreement The details of the empanelled Debt Collection/ Recovery agencies of the Bank can be referred by visiting. <a href="http://www.dbs.com/in/iwov-resources/pdf/list-of-recovery-agency.pdf">www.dbs.com/in/iwov-resources/pdf/list-of-recovery-agency.pdf</a>
2	Clause of Loan agreement which details grievance redressal mechanism	Refer Clause 2.1 of Loan Agreement read along with clause XX- Customer Grievance Redressal Procedure of the Most Important Terms and conditions which is part of the Application Form.

<sup>1</sup> APR is calculated after excluding taxes

		The grievance redressal policy of the Bank can be referred by visiting <a href="http://www.dbs.com/in/treasures/common/redressal-of-complaints-and-grievances.page?pid=in-digi-pweb-footer">www.dbs.com/in/treasures/common/redressal-of-complaints-and-grievances.page?pid=in-digi-pweb-footer</a>
3	Phone number and email id of the nodal grievance redressal officer	Email ID - dbsnodalofficer@dbs.com Phone number: +91 22 6614 7578
4	Whether the loan is, or in future maybe, subject to transfer to other Banks or securitisation (Y/N)	Yes
5	In case of lending under collaborative lending arrangements (e.g., co-lending/ outsourcing), following additional details may be furnished:	
	Name of the originating Bank, along with its funding proportion	Name of the partner Bank along with its proportion of funding
	Not Applicable	Not Applicable
6	In case of digital loans, following specific disclosures may be furnished:	
	(i) Cooling off/look-up period, in terms of Bank's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan	Not Applicable
	(ii) Details of LSP acting as recovery agent and authorized to approach the borrowed	Not Applicable

Customer Acknowledgement			
I/We hereby confirm that the content of this Key Facts Statement were explained to me/us in our own language and I/We hereby confirm that I/We have understood the same.			
<div>_____</div> <div>Applicant Name &amp; Signature</div>		Place:	<div>Date:</div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> </div>
<div>_____</div> <div>Applicant Name &amp; Signature</div>		Place:	<div>Date:</div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> </div>

#### Annexure B: Computation of APR for Retail and MSME loans

S No.	Parameters	Details
1	Sanction Loan Amount	Rs. _____
2	Loan Term	_____ Months
a.	No. of instalment for payment of principle, in case of non-equated periodic loans	NA
b.	Type of EPI Amount of each EPI and No. of EPIs	Monthly Rs. _____
c.	No. of instalments for repayment of capitalized interest if any	NA
d.	Commencement of repayments, post sanction	Please refer 'Commencement of repayment' in Part 1(5)'
3	Interest Rate Type	_____
4	Rate of Interest	_____ % P.A.
5	Total Interest Amount to be charges during the entire tenor of the loan amount as per the rate prevailing on sanction date	Rs. _____

6	Fee/ Charges payable +GST	Rs. _____
a.	Payable to the Bank +GST	Rs. _____
b.	Payable to third-party routed through Bank	Rs. _____
7	Net disbursed amount (1-6) <sup>2</sup>	Rs. _____
8	Total amount to be paid by the borrower (sum of 1 and 5)	Rs. _____
9	Annual Percentage Rate – Effective annualized interest rate	_____ % P.A.
10	Schedule of disbursement as per terms and conditions	(i) 100% Upfront disbursement <input type="checkbox"/> (ii) Disbursement in stages. <input type="checkbox"/> Refer clause 3.1 (b) of the Loan Agreement
11	Due date of payment of instalment and interest'	Please refer 'Commencement of repayment' in Part 1(5)'

#### Annexure C: Repayment Schedule under Equated Periodic Instalment

Instalment No.	Outstanding Principle	Principle	Interest	Instalment

#### ANNEXURE D:

In the event of default for failure to pay any amount due from the Borrower under any of the Facility Documents on the due date or on demand, **the Borrower's loan account shall be classified as Special Mention Account (SMA) and Non-Performing Asset (NPA)** in accordance with the RBI Circular dated November 12, 2021 on 'Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances – Clarifications' and amendments thereto.

#### **What are Dues?**

Dues mean the principal/ interest/ any charges levied on the loan account which are payable within the period stipulated as per the terms of sanction of the credit facility.

<sup>2</sup> Net disbursed amount excludes the Application Login fees

### What is Overdue?

Overdue means the principal/ interest/ any charges levied on the loan account which are payable but have not been paid within the period stipulated as per the terms of sanction of the credit facility. In other words, any amount due to the Bank under any credit facility is '**overdue**' if it is not paid on the due date fixed by the Bank.

### Appropriation Principle

The Principle of FIFO i.e., 'First In, First Out' accounting method is relevant to arrive at the No. of days of overdue for determining the SMA / NPA status. The FIFO principle assumes that the oldest outstanding dues in the loan account needs to be cleared first. The FIFO method thus requires that what is due first must be paid by the borrower first.

For example:

if in any loan account as on 01.02.2021, there are no overdues and an amount of (Rs. X) is due for payment towards principal instalment/interest/charges, any payment being credited on or after 01.02.2021 in the loan account will be used to pay-off the dues outstanding on 01.02.2021.

Assuming that nothing is paid and/or there is partial payment (Rs Y) of dues during the month of February, the overdue as on 01.03.2021 will be (Rs. X-Y).

Additionally, an amount of Rs. Z becomes due as on 01.03.2021, Now any payment / partial payment into the account on or after 01.03.2021 will be first utilized to pay-off the partial due of 01.02.2021 (Rs X - Rs.Y). If there is more recovery than the (Rs X - Rs Y), then after recovering dues of 01.02.2021, the remaining amount will be treated as recovery towards due of 01.03.2021.

Age of oldest Dues (or Days-Past-Due - DPD): The age of oldest dues is reckoned in days from the date on which the oldest payment is due and continues to remain unpaid. In the aforesaid illustration, if the dues relating to 1<sup>st</sup> February 2021 remain unpaid till 01.03.2021, the age of the oldest dues is reckoned as 29 days on 02.03.2021.

### What is NPA?

A Non-Performing Asset (NPA) is a loan or an advance where:

- i. interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan,
- ii. the account remains 'out of order' as indicated below, in respect of an Overdraft/Cash Credit (OD/CC),
- iii. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- iv. the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- v. the instalment of principal or interest thereon remains overdue for one crop season for long duration crops.

In case of interest payments in respect of term loans, an account will be classified as NPA if the interest applied at specified rests remains overdue for more than 90 days.

### What is 'Out of Order' Status?

An account shall be treated as '**out of order**' if:

- i. the outstanding balance in the CC/OD account remains continuously in excess of the sanctioned limit/drawing power for 90 days, or
- ii. the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

*(Note: The 'previous 90 days period' for determination of 'out of order' status of CC/OD account shall be inclusive of the day for which the day-end process is being run by the Bank.)*

### What is SMA?



A Special Mention Account (SMA) is a loan account, showing the symptoms of stress as evidenced by a default in payment of the dues and/or, in which principal or interest payment, or both are overdue but for a period of less than 90 days.

SMA categorisation is a precautionary measure to recognize a financial stress early and therefore to take corrective action to contain that stress and prevent an account from turning into NPA.

#### Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)

Bank is required to recognize the incipient stress in loan accounts, immediately on default, by classifying the loan accounts as Special Mention Accounts (SMA). The basis of classification of SMA /NPA Category shall be as follows:

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

#### Illustrative movement of an account to SMA category to NPA category based on non-payment of dues at day-end process:

If due date of a loan account is March 31, 2021, and full dues are not received before the day-end process for this date, the date of overdue shall be March 31, 2021.

Due date of payment	Payment covers	Age of oldest dues in days (DPD)	SMA / NPA Categorization	SMA since Date /SMA class date	NPA categorization	NPA Date
31.03.2021	Entire dues paid upto 31.03.2021	0	NIL	NA	NA	NA
31.03.2021	Dues of 31.03.2021 not fully paid at EOD 31.03.2021	1	SMA-0	31.03.2021	NA	NA
31.03.2021	Dues of 31.03.2021 not fully paid at EOD 29.04.2021	30	SMA-0	31.03.2021	NA	NA
31.03.2021 30.04.2021	Dues of 31.03.2021 and 30.4.2021 not fully paid at EOD 30.04.2021	31	SMA-1	31.03.2021/ 30.4.2021	NA	NA
31.03.2021 30.04.2021	Dues of 31.03.2021 and 30.4.2021 not fully paid at EOD 29.05.2021	60	SMA-1	31.03.2021/ 30.4.2021	NA	NA
31.03.2021 30.04.2021	Dues of 31.03.2021 and 30.4.2021 not fully paid at EOD 30.05.2021	61	SMA-2	31.03.2021/ 30.5.2021	NA	NA
31.03.2021 30.04.2021 31.05.2021	Dues of 31.03.2021, 30.4.2021 and 31.05.2021 not fully paid at EOD 28.06.2021	90	SMA-2	31.03.2021/ 30.5.2021	NA	NA
31.03.2021 30.04.2021 31.05.2021	Dues of 31.03.2021, 30.4.2021 and 31.05.2021 not fully paid at EOD 29.06.2021	91	NPA	NA	NPA	29.06.2021



The borrower(s) is/are advised to maintain sufficient funds a day in advance in your bank account through which the loan is being serviced.

**Upgradation of accounts classified as NPA**

All the loan or credit facility accounts of a Borrower will be classified as NPA, in case any one of the accounts get classified as NPA and will continue to remain classified as NPA unless the overdues of all the loan accounts or credit facilities are fully repaid by the Borrower.

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**CONFIRMATION BY THE BORROWER**

I/we understand that the aforesaid few examples are illustrative and not exhaustive in nature covering common scenarios, and that the norms and clarifications of SMA/NPA captured in the **Income Recognition, Asset Classification and Provisioning** ("IRACP") provided by Reserve Bank of India ("RBI") will prevail.

Yours faithfully,

(Borrower(s))  
(Guarantor(s))

Date:

Place: