

SD-10(D)

AGREEMENT FOR VEHICLE LOAN

DHANLAXMI BANK LTD.

.....Branch

WHEREAS DHANLAXMI BANK LTD, a duly incorporated Scheduled Commercial Bank, being governed by the provisions of the Banking Regulation Act, 1949, having its Registered Office at Dhanalakshmi Buildings, Naickanal, Thrissur, and Corporate Office at Punkunnam, Thrissur, Kerala State in India and Branches among other places including one at.....(hereinafter called “Bank”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to

include its successors and assigns from time to time) has at the request of

.....

.....

.....
(hereinafter called “Borrower”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include his/her/their heirs, successors, legal representatives,

executors and assignees from time to time) sanctioned/agreed to sanction the facility by way of term loan on conditions, interalia, that the Borrower shall secure repayment of the sums advanced by the Bank including interest, bank charges, costs, commission, etc. by hypothecation of the Motor Vehicle/s, with all accessories, tools, etc. enter into this Agreement.

NOW THESE PRESENTS WITNESSETH AS FOLLOWS:

IN CONSIDERATION OF the Bank having sanctioned/agreed to sanction the said term loan facility to the Borrower, the Borrower hereby hypothecates in favour of the Bank all those Motor Vehicles, tools and accessories already purchased and described in **Schedule A** hereto and also the Motor Vehicles, etc. to be purchased hereafter, particulars whereof will be furnished later by way of an Addendum (hereinafter referred to as "Hypothecated Vehicles")

as security for repayment to the Bank for a sum of Rs/-

(Rupees.....)

.....only) together with interest, bank charges, cost of recovery, commission, etc. as herein stipulated.

The Borrower hereby covenants with the Bank as follows:-

1. The Borrower shall duly and punctually repay the amount advanced by the Bank on the due dates indicated in Schedule 'B' hereunder including interest default/overdue rate of interest wherever applicable, Bank charges, commission, etc. and which is hereby secured, as and when the same falls due for payment and in the event of the Bank calling up the advance and demanding payment of the entire amounts due to it forthwith, he shall duly comply with such demand.

2.¹ (**For loan linked to fixed rate of interest**) The Borrower/s shall pay interest at the rate of% per annum with monthly rests and compounded, rising and falling therewith calculated respectively on the daily balance of the amount due subject to revision by the Bank from time to time. The Borrower agrees to repay the loan amount together with interest in..... months, along with additional interest, charges, and other expenses, if any, commencing from the date of disbursal of the loan or any part thereof in monthly installments of Rs..... /- each (out of which Rs...../- towards principal and Rs...../- towards interest) or such other amount that the Bank may fix from time to time. The first of such installment shall be paid to the Bank on day of20.... and the remaining installments shall be payable to the Bank on or before the same day of succeeding months more fully described in **Schedule B** of this Agreement.

1 Strike out if not applicable

²(For loan linked to MCLR) The Borrower shall repay to the Bank the loan together with interest at the rate of.....% at/above the Marginal Cost of Funds based Lending Rate (hereinafter referred to as MCLR), as fixed by the Bank from time to time,³subject to a minimum of % with monthly rests and compounded, rising and falling therewith calculated respectively on the daily balance of the amount due or at such other rates that the Bank may from time to time stipulate. The present MCLR of the Bank is % and accordingly the current rate of interest payable by the Borrower shall be % per annum with..... rests. The borrower agrees to repay the loan amount together with interest as aforesaid in months, along with additional interest, charges and other expenses, if any, commencing from the date of disbursement of the loan or any part thereof in monthly installments of Rs...../- each (out of which Rs...../- towards principal and Rs..... /- towards interest) or such other amount that the Bank may fix from time to time. The first such installment shall be paid to the Bank onday of20.... and the remaining installments shall be payable to the Bank on or before the same day of succeeding months more fully described in **Schedule B** of this Agreement.

⁴(For loan linked to Repo Rate) The Borrower agrees to repay the loan amount together with interest at the rate of percent at/above the Repo Rate of RBI. The present RBI's Repo Rate is% and accordingly I/we shall pay interest at the rate of.....%, ⁵subject to a minimum interest rate of %, per annum withrests and compounded, rising and falling therewith calculated respectively on the daily balance of the amount due subject to revision by the Bank from time to time. The Borrower agrees to repay the loan amount together with interest as aforesaid in months, along with additional interest, charges and other expenses, if any, commencing from the date of disbursement of the loan or any part thereof in monthly installments of Rs...../- each (out of which Rs...../- towards principal and Rs..... /- towards interest) or such other amount that the Bank may fix from time to time. The first such installment shall be paid to the Bank onday of20.... and the remaining installments shall be payable to the Bank on or before the same day of succeeding months more fully described in **Schedule B** of this Agreement.

Besides the repayment of the loan amounts as mentioned in Schedule B of this Agreement, the borrower shall pay the costs, expenses, any charges including legal charges, valuation charges, fees and any other expenses arising out of the loan amount so disbursed, until the entire dues are fully adjusted/liquidated. It is agreed that notwithstanding the amount of each

2 Strike out if not applicable
3 Strike out if minimum rate of interest is not applicable
4 Strike out if not applicable
5 Strike out if minimum rate of interest is not applicable

installment fixed as above, the Bank may at its discretion without being required to give any reasons to the Borrower alter or amend the amount of installment or number of installments as also the date of repayment and if the Borrower repays the installments without adhering to the revised schedule which culminates in outstanding dues after the due date of final payment, the Borrower agrees to repay the balance amount together with interest at applicable rates in a lump sum.

3. The Borrower hereby waives the requirement of notice on the revision of interest and a notice in the bank's notice board or website of the Bank or a report in the newspaper on change of interest rate shall be deemed to be sufficient notice to the Borrower and such interest shall be payable whether debited to the loan account or not, and until so paid shall form part of the facilities covered by these presents.

4. The Borrower agrees that if default shall be made in payment of any installment on due dates or in observing any of the terms and conditions of the advance granted or fails to submit prescribed return, the Borrower shall pay penal interest in addition to the normal rate of interest at such rate as stipulated by the Bank from time to time.

5. The borrower understands that if the principal or interest payment or any other amount wholly or partly became overdue, the account shall be classified as special mention account (SMA) and thereafter as non-performing asset (NPA) in tune with the guidelines of the Reserve Bank of India from time to time. For example: If due date of a loan account is March 31, 2021, and full dues are not received on or before the said due date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then this account shall get tagged as SMA-1 on April 30, 2021 i.e. upon completion of 30 days of being continuously overdue. Similarly, if the account continues to remain overdue, it shall get tagged as SMA2 on May 30, 2021 and if continues to remain overdue further, it shall get classified as NPA upon on June 29, 2021.

6. The Borrower agrees that the Borrower shall pay fee and other charges for processing the loan application, mortgage expenses/charges, inspection and valuation charges, legal charges, upfront fee and other fee and charges stipulated by the bank from time to time at the rate published in the notice board or website of the Bank from time to time.

7. The Borrower further agrees that the Bank shall have an unqualified right to recover all the expenses incurred by the Bank of whatever nature in connection with the recovery actions including but not limited to the fees and expenses towards its Advocates and solicitors with regard to obtention of opinions, litigations, both Civil and criminal, initiated either by the bank or against the Bank with respect to the subject loan account and the Borrower hereby irrevocably and unconditionally authorizes and empowers the Bank to debit and recover the same from the loan account, I/we also agree that the Bank shall have an unfettered right of set off or lien towards any dues in this regard.

8. The Hypothecated Vehicles shall be a continuing security for repayment of the ultimate balance due to the Bank (including interest, bank charges, etc.) even though the amount actually advanced by the Bank may have exceeded the sanctioned limit or the account may at some point of time be at credit by reason of the sums deposited by the Borrower or otherwise.

9. The hypothecated vehicles shall also be the security to the Bank for monies due to it in any other account as if this hypothecation is created for repayment of those other monies also.

10. The Borrower shall utilise the money advanced by the bank under this agreement exclusively for the purpose of purchasing/acquiring the vehicle(s) as described in the Annexure hereunder, the entire description of the same will be furnished to the Bank later and the said details may be incorporated by the officials of the Bank.

11. The title to the hypothecated vehicles vests in the Borrower absolutely and that the same is good, marketable and free of any encumbrance and the Borrower shall also do all such acts deeds and things necessary for more perfectly assuring his/her/their title to the hypothecated vehicles and/or effectively implementing the terms of this agreement.

12. That the Borrower will maintain at his/her/their cost the hypothecated vehicles in good order and conditions and serviced timely, replacing worn out parts. The Borrower will hold the same in trust for the Bank and be answerable to the Bank accordingly.

13. That in the course of plying the vehicles either for his own use or hire or otherwise, the Borrower will not do any act or omit to do anything whereby the value of the hypothecated vehicles shall suffer or depreciate beyond the normal extent of wear and tear. The Borrower shall also take out and keep in force all permits and licenses required to be obtained in law from time to time for plying the hypothecated vehicles.

14. The Borrower shall adequately insure the hypothecated vehicles for the full market value, incorporating bank's name as charge holder on the insured vehicle, against risk of fire, wear, riots, strike civil commotion, accident risk, theft, comprehensive risks and also for such other purposes as may be prescribed by any law for the time being in force and keep the policy always current by duly and punctually paying the premium from time to time and as may be required by the Bank and to assign the benefits of insurance policy thereof to the Bank. The Bank shall be entitled to all the benefits under all such policies. The Borrower hereby agrees and undertakes to do everything necessary to transfer and effectively vest in the Bank the benefits under all such policies.

15. The Borrower further agrees to indemnify the Bank against loss by reason of damages to or destruction or loss of the hypothecated vehicles from any cause whatsoever by reason of claim by third party in respect of the same. The Bank is at liberty (but not bound) to effect such insurance at the risk, responsibility and expenses of the Borrower with any Insurance Company only to the extent of the value of security as estimated by the Bank and that in the event of insuring the security, the Bank shall not be considered or deemed to be responsible or liable for non-submission or rejection of the claim wholly or in part whether the claim is made by the Bank or by the Borrower.

16. It is expressly undertaken by the Borrower that he/she/they shall himself/herself/themselves or his/her/their own accord take all steps like initiation of filing claims/furnishing necessary information to the Bank/Insurance Company without being informed of details of loss/damage for any reason whatsoever. In the event of rejection of

claim either wholly or in part on account of loss/damage to the security, the Borrower shall be liable to repay to the Bank the entire outstanding liability without requiring the Bank to proceed in the first instance against Insurance Company. In the event of non-settlement of claim, the Bank may at its absolute discretion take legal action against Insurance Company without being under any obligation to do so or require the Borrower himself to take action in which case the Borrower shall not be entitled to question the decision of the Bank. If the Bank does not lodge any claim under the policy within the time limit prescribed under such policy, the Bank shall not be liable to the Borrower for not filing any claim or suit for recovery of the insured amount against the Insurance Company or any other person.

17. The Borrower undertakes to notify the RTO about the Hypothecation in the Bank's favour and to make necessary entries in the Registration Certificate issued in respect of the hypothecated vehicles to contain requisite entry regarding hypothecation in favour of the Bank.

18. The Borrower will not alienate or encumber or otherwise part with possession of the hypothecated vehicles as also the route permit/s without the previous written consent of the Bank.

19. The Borrower shall duly and punctually pay all rents, rates and taxes and not lay the hypothecated vehicles open to any attachments, distress by Court, Tax or other public authority and see that all these claims are duly satisfied and attachment/distress averted.

20. The Borrower shall permit the Bank, its Officers, agents and nominees to inspect the Books of accounts, Hypothecated Vehicles and its condition to satisfy themselves that the security is not impaired or diminished in any manner.

21. The Borrower shall in the event of the Bank exercising its right of seizure and sale of the Hypothecated Vehicles under these presents, deliver the Hypothecated Vehicles to the Bank and co-operate with the Bank in the matter of such seizure, removal of the Hypothecated Vehicles elsewhere and sale thereof.

22. The Borrower shall furnish to the Bank periodically or as and when required by it, true statements of account showing the business, assets and liabilities as also particulars of the vehicles and satisfy the Bank as to the correctness thereof.

23. Further the matter of making payment towards this debt or acknowledging this debt or any part thereof as and when called upon by the Bank to do so for the specific purpose of saving limitation, the Borrower authorises any one or more of them for the purpose of making payment to the loan account and giving acknowledgement of debt from time to time. Accordingly, the Borrower declares that the payment or acknowledgement made or given by any one or more of them shall be binding on all of them jointly and/or severally and that any payment and/or acknowledgement so made or given by one or more of them shall save limitation against all of them jointly and /or severally for the purpose of law of limitation.

24. The Borrower agrees that the Bank shall be at liberty to assign /transfer the debt and the benefit of these presents and the securities for the advance and security documents to any Refinance Institution as security for any refinance obtained by the Bank from the said institution in respect of the loans, advances granted/agreed to be granted by the Bank to the Borrower and the Borrower shall if and whenever required by the Bank, do so, at the Borrower's own expenses, execute and join the doing and executing of all such acts, things, deeds, documents or assurance as the financing institutions may require for perfecting such assignments. The Bank shall be at liberty to furnish to such institution any information and /or report whether received by the Bank from the Borrower or otherwise in the Bank's possession.

25. The Borrower also agrees that the Bank may assign/transfer the credit facilities to any other bank/Financial Institution/Securitisation Company/Asset Reconstruction Company or any such organization or their agents without reference to me/us for the purpose of securitisation /asset reconstruction or outright sale and in such sale the terms and conditions of the credit sanction agreed by Borrower with the Bank shall continue to govern and in case of default in repayment by the Borrower the buying bank/Financial Institution/Securitisation Company/Asset Reconstruction Company or any such organization or their agents shall have recourse to the Borrower and the terms and conditions of sale shall be governed by the agreement entered by the Bank with the buyer bank/Financial institution/Securitisation Company/ Asset Reconstruction Company or any such organization or their agents.

26. So long as the account remains live, the Bank shall have the right to demand at its discretion that this Agreement shall be renewed for a like amount or for such other amount as the Bank may deem fit. The execution of any document/s in this connection shall not be deemed to create a new or distinct debt but the account shall be deemed to be the same and continuous one until it is declared closed by the Bank and shall carry with it the benefit of the security created by this agreement as well as every other security appurtenant thereto or available therefor.

27. In case the Borrower is a partnership, the Borrower hereby makes it clear that though the Hypothecated Vehicle is registered in the name of one of its Partners. Shri.....with the Regional Transport Authority, the said Vehicle is the property of the Firm and that it has authority to create this hypothecation.

28. The Bank shall be entitled -

- a) To demand repayment of the amounts advanced by it and hereby secured punctually on the due dates of payment or on demand, as the case may be.
- b) To demand, at its option, repayment of the entire loan amount in a lump sum and forthwith in the event of the Borrower committing default to pay any one installment of principal or interest on the due dates or committing any act or suffering any omission by which the security is impaired or likely to be impaired or in the event of the Borrower committing breach of any of the terms, conditions, covenants hereof or for any other reason considered by the Bank to be sufficient to call up the entire advances and the Borrower shall comply with such demand.

c) The Borrower hereby undertakes that he shall use the amount only for the purpose for which it is sanctioned and shall not use the amount or any part thereof for any purpose other than that for which it is sanctioned. Further, the Borrower agrees that if the Bank suspects or has reason to believe that the Borrower has violated or is violating this undertaking, the Bank may recall the loan amount or any part thereof at once notwithstanding anything to the contrary contained in this agreement or any other agreement.

d) In the event of the Borrower failing or neglecting to comply with the demand to pay the amounts due to the Bank as aforesaid, the Bank is entitled to enter upon the premises in which the Hypothecated Vehicle is kept or believed to be kept, seize and take possession thereof or otherwise cause it to be sold in public auction or by private treaty for recovery of the amount due to it. The net sale proceeds of the Hypothecated Vehicles after defraying the expenses of seizure, storage, sale, etc. shall be appropriated by the Bank towards protanto satisfaction of the debt due to it as per these presents and any other debt owing by the Borrower to the Bank. The balance, if any, will be kept at the credit of the Borrower with the Bank and he shall be at liberty to draw the same. The statement of account rendered by the Bank of the costs and expenses of seizure and sale shall be binding and conclusive upon the Borrower.

e) To recover the amounts due from the Borrower personally or from any other security furnished by him or from his surety without having to take recourse against the Hypothecated Vehicles. In case the Bank proceeds against the Hypothecated Vehicle and the sale proceeds thereof are insufficient to satisfy the whole of the amounts due to the Bank, the Bank shall be entitled to recover such balance from the Borrower personally.

f) The Borrower further agrees that in case of such default, the Bank shall have the undisputed right to publish the photograph/s of the Borrower as a defaulter to the Bank in daily newspapers or other media as decided by the Bank, at the risk and costs of the borrower and the Borrower hereby conveys his/her/their express consent for such acts of the Bank without any further intimation to the Borrower.

29. The Borrower agrees that the sanction letter allowing the facility shall be read in conjunction with the provisions of this agreement and in the event of any inconsistency in this agreement with the aforesaid sanction letter, the terms and conditions mentioned in the sanction letter shall prevail for all intents and purposes.

30. It is expressly agreed and declared by the Borrower that in the event of the Borrower making a request to transfer the limits/outstanding liabilities to any other branch of the Bank for being availed of and operated on the ground of convenience or for any other reason acceptable to the Bank and the Bank agrees to transfer the limits and/or grants further limits as per records and documents separately to be obtained for such further limits by the concerned branch/es the security created and to be created by way of hypothecation, pledge and equitable mortgage etc as the case may be in favour of the branch in which the account/s is/are maintained shall be available to the branch/es of the Bank to which such limits stand transferred for the repayment of the amounts then due and that may be due thereafter by the Borrower or by the Borrower(s) jointly with others in any other accounts and the document/records already created shall continue to be enforceable against the Borrower in all respects and for all purposes and intents the said documents/records shall be taken as if they are executed by the Borrower in favour of the branch/es to which such limit stand transferred.

31. The Borrower agrees to accept as conclusive proof of the correctness of any sum claimed to be due from the Bank under this agreement a statement of account made out from the books of the Bank and signed by the duly authorized officer of the Bank or data/print out of the data in respect of the account stored in a floppy, disc, tape or any other form of electro-magnetic storage device or computer system generated printout without production of any voucher, document or paper.

32. The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct and specifically agree that as a pre-condition for granting loans/advances/other non-fund based credit facilities, the Bank shall have an unqualified right to disclose the information or data relating to the Borrower, the information or data relating to any credit facility availed of/to be availed by the Borrower, default if any committed by the Borrower in discharge of the obligations or any other information as the bank may deem appropriate and necessary to the Credit Information Companies or any other agency authorized by the Reserve Bank of India and such agencies may process the information and furnish the processed information for consideration to any Banks/Financial Institutions or other credit grantors or registered users as may be specified by the Reserve Bank of India.

33. The Borrower also agrees that the bank shall have the absolute discretion to disclose the information/data relating to the Borrower or information in respect of the account with the Bank to any recovery agent/s or agency/ies as the Bank may think fit and such recovery agent/s or agency/ies shall take appropriate steps against the Borrower or against the securities offered to the Bank.

34. Any delay in exercising or omission to exercise any right, power or remedy exercisable by the Bank under these presents shall not impair any such right, power or remedy or be construed to be an acquiescence in any default, nor shall the action of the Bank in respect of such default or any acquiescence affect or impair any right, power or remedy of the Bank in respect of any other or subsequent default.

35. If the Borrower is a company, the Borrower agrees that they shall not induct on its Board a person whose name appears in the list of Wilful Defaulters published by the Reserve Bank of India and/or any other Credit Information Companies and that in case, such a person is found to be on its Board, the Borrower would take expeditious and effective steps for removal of that person/s from their Board. If the Borrower fails to comply with the said requirement, the Bank shall be entitled to initiate all proceedings as envisaged by law against the Borrower including criminal action, foreclosure and change of ownership.

36. The Borrower agrees that in case of restructuring of loans and if the Borrower is unable to come out of stress due to operational /managerial inefficiencies or for any other reasons and fails to achieve the viability milestones and/or adhere to the 'critical conditions', the Borrower hereby agree that the Bank shall have the right at its discretion to initiate change of ownership of the Borrower Company by converting the loan dues to equity shares.

37. The Borrower agrees that the Borrower shall submit necessary approvals/authorizations (including special resolution by the shareholders), as required under extant laws/regulations, to enable the Bank to exercise the above right effectively and the Borrower shall also co-operate with the Bank for its effective execution

38. Should the Borrower be more than one individual, all shall be bound jointly and severally and if a firm, such firm and all members of the firm from time to time thereof shall be bound hereby jointly and severally notwithstanding any change whatsoever in the constitution or style thereof and whether such firm consist of or be reduced to one individual at any time and also such individual members and their respective heirs, executors and administrators and that should the borrower be a Limited company, a Corporate or unincorporated body, Committee, Firm, Partnership, Trustee or debtors on a joint account, the provision contained herein shall be construed and take effect wherever necessary as if the words importing the singular number also includes the plural number and lastly that if the Borrower be more than one individual at any time any notice served on any one of such individuals shall be deemed to be service of such notice on all such individuals.

39. That the Borrower hereby expressly authorize the Bank to approach Income Tax Department and/or any other Government Department/Authority/Agency to access the information (including without limitation, Balance Sheet, Profit & Loss Account, Income Statement and Returns) about the Borrower and their business or activity submitted by the Borrower to such authority or entity, for the purpose of verification of the same with the information submitted by the Borrower to the Bank in relation to the loan/credit facility/ies applied for / availed of from the Bank. This authorization shall continue to be valid and be in force until all amounts due to the Bank under the said loan/credit facility (ies) granted/to be granted by the Bank to the Borrower are fully repaid and received by the Bank.

40. The Borrower agrees that any notice by way of request, demand or otherwise required to be served hereunder shall be sufficiently served if addressed and transmitted at their address registered in the Bank or in the event of there being no such address registered to their last known place of residence or business and left at such address or place or forwarded to them by post or by courier or by any other means of transmission of documents like fax message or electronic mail service to the address or place aforesaid and if sent by post it shall be deemed to have been given at the time when it would be delivered in due course of post and it shall be sufficient to prove that the envelope containing the notice was addressed and posted and if sent by courier or fax or electronic mail then delivery confirmation slip, fax /electronic mail confirmation message, as the case may be, shall be sufficient proof of service.

IN WITNESS WHEREOF the Borrower has executed these presents at.....
on this theday of20.....

SIGNATURE OF BORROWER/S

SCHEDULE - A

DESCRIPTION OF THE HYPOTHECATED VEHICLE

Sl No	Make	Engine No	Chasis No	Registration No

**SCHEDULE - B
RE-PAYMENT SCHEDULE**

Date	Amount	Date	Amount	Date	Amount	Date	Amount

SIGNATURE OF BORROWER/S

ANNEXURE

**ADDENDUM TO HYPOTHECATION AGREEMENT DATED.....
DESCRIPTION OF HYPOTHECATED VEHICLE/S**

Model	
Manufacturing date	
Make	
Engine No.	
Chassis No.	
Manufacturer	
Supplier/Agency	
Insured Amount	
Insurance Company	
Registration No.	
Name of Registering Authority.	

SIGNATURE OF BORROWER/S

Key Fact Statement

LOAN.....(NAME OF THE SPECIFIC LOAN PRODUCT)

1	Loan amount	
2	Loan term	
3	Interest type (fixed or floating)	
4	(a) Interest chargeable (In case of Floating Rate Loans) (b) Interest chargeable (In case of Fixed Rate Loans)	(a)% (MCLR +...../ Repo Rate+.....) (b) %
5	Date of reset of interest	
6	Mode of communication of changes in interest rates	
7	Fee payable	
a	On application (PI individually specify all type of fee)	
b	During the term of the loan (PI individually specify all type of fee)	
c	On foreclosure (PI individually specify all type of fee)	

d	Fee refundable if loan not sanctioned/disbursed	
e	Conversion charges for switching from floating to fixed interest and vice-versa	
f	Penalty for delayed payments	
8	EMI payable	
9	Details of security/collateral obtained	
10	Date on which annual outstanding balance statement will be issued	

(SIGNATURE OF THE BORROWER/S)