

(To be stamped as an Agreement)

**AGREEMENT FOR PERSONAL LOAN UNDER DOCTOR'S CREDIT SCHEME**

**BETWEEN**

\_\_\_\_ **Insert the name of the Borrower** \_\_\_\_

**AND**

**THE SOUTH INDIAN BANK LTD**

Amount	Rs.
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This forms part of the Agreement for Personal Loan under Doctor's Credit Scheme executed between \_\_\_\_ **Insert the name of the Borrower** \_\_\_\_ and **The South Indian Bank Ltd.** dated \_\_\_\_\_

**Borrower**

**The South Indian Bank Ltd.**

**THIS AGREEMENT** is made at the place and date as specified in Schedule I (a) **BETWEEN** such persons, whose name(s) and address(es) are as specified in Schedule I (b) (hereinafter referred to as the "**Borrower**" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns and all persons deriving/ claiming title there under) **AND** The South Indian Bank Ltd, a banking company incorporated under the Companies Act 1913 and having its Registered Office at "SIB House", T.B. Road, Mission Quarters, Thrissur and one of its Branch Offices at the place specified in Schedule I (c) (hereinafter referred to as the "**Bank**" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns)

**WHEREAS** the borrower has requested the bank to grant a loan in the nature of a Personal Loan of under the Doctor's Credit Scheme up to the amount specifically stated under Schedule I (d) of this agreement for the purpose mentioned under Schedule I (e) of this agreement (hereinafter referred to as 'the loan').

AND WHEREAS, the bank has on execution of this agreement and in accordance with the terms and conditions mentioned herein, agreed to grant/ granted to the borrower by way of a Doctors' Credit Term Loan of the amount specified in Schedule I (d) hereunder.

**NOW IN CONSIDERATION OF THE BANK GRANTING/ AGREEING TO GRANT TO THE BORROWER THE LOAN, THE BORROWER AGREES, DECLARES, RECORDED AND CONFIRMED AS FOLLOWS:-**

### **1. BASIS OF THE AGREEMENT**

(a) The Loan Application shall be deemed to constitute the basis of this agreement and of the loan advanced or to be advanced by the bank hereunder and the borrower hereby warrants the correctness of each and every statement and particulars therein contained and undertake to carry out the proposals therein set forth.

(b) The Borrower hereby agrees that the said advance shall be governed by the terms and conditions contained herein as well as those embodied in the loan sanction letter, Instrument of Hypothecation, Deed of Guarantee, and other loan and/or security documents except in so far as the loan/security documents may expressly or by necessary implication be modified by these presents.

### **2. RULES & REGULATIONS OF THE SCHEME**

The borrower has/ have read and understood the rules and regulations of the scheme and agree/s that he/ she/ they shall be bound by the rules and regulations of the Scheme under which the loan is granted/ agreed to be granted and the amendments that may be made from time to time.

### **3. BORROWER'S UNDERTAKING**

1) The Borrower agree and undertake that the said advance shall be utilised exclusively for the purpose set forth in the Borrower's proposal and for no other purpose and to notify the bank in writing of any circumstances affecting the correctness of any particulars set forth in the Borrowers' proposal immediately after the occurrence of any such circumstances.

2) The Borrower agrees that where Bank has made payment direct to the Supplier of goods along with the margin contributed by the Borrower, the Borrower shall ensure that goods are delivered promptly and in good condition and the Borrower shall furnish copy of necessary receipts, proof

of delivery etc. to the Bank within one week from the date of disbursement.

3) The Borrower shall not, without the written consent of the Bank, create in any manner any charge, lien or other encumbrance on the security given to the Bank in respect of such advance or create any interest in such security in favour of any other party or person.

4) The Borrower shall upon request of the Bank, allow the Bank and any nominee, servant or agent of the Bank to inspect the Borrower's premises and other assets for ensuring that the Borrower has duly complied with the terms of the advance.

5) The Borrower will furnish the Bank with all such information as the Bank may reasonably require for the Bank's satisfaction as due compliance with the terms of the advance and all such periodical reports and information at such times, in such form and containing such particulars as the Bank may call for, for the purpose of ascertaining the results of the utilisation of the said advance.

6) The Borrower agree that the Bank is at liberty to debit the loan account with interest, commission and all bank charges and such other charges arising out of the transaction and incidental expenses in connection with the inspection of security charged in favour of the Bank and the amount so debited shall be payable by the Borrower separately and shall be recoverable by the Bank as if that is part of the loan amount.

7) Save and except to the extent already disclosed in writing by the Borrower to the Bank, the Borrower hereby warrants and undertakes as follows:

a) The Borrower have obtained all necessary statutory permission/ sanction to avail the loan from the Bank and to execute loan documents and do all necessary things to avail the loan.

b) There are no mortgages, charges, lispendens or liens or other encumbrances or any rights of way, light or water or other easements or right of support on the whole or any part of the specified assets of the Borrower, except to the extent disclosed to the Bank.

c) The Borrower is not a party to litigation of a material character and that the Borrower are not aware of any facts likely to give rise to such litigation or to material claims against the Borrower.

d) The Borrower has disclosed all facts relating to its properties to the Bank.

8) The Borrower shall carry on the profession efficiently and properly and shall be continued as have been notified to the Bank and for which the Bank has sanctioned or agreed to sanction the credit facility and shall keep all the licenses, leases, contracts, engagements essential for carrying on the activity, renewed from time to time.

9) The Borrower shall maintain proper registers, books, documents as is required for the profession as may be statutorily required or as may be required by the Bank or as may be necessary and/or generally kept in the profession carried on by the Borrower. The Borrower shall, if so required by the Bank, allow the Bank to inspect such books.

10) The Borrower agree to accept as conclusive proof of the correctness of any sum claimed to be due from them to the Bank under this agreement, a statement of account/extract from the computer or otherwise and signed by a duly authorized officer of the Bank without the production of any voucher/ document/ register.

11) During the currency of the said credit facility, the Borrower shall not, without the prior permission in writing of the Bank undertake guarantee obligation on behalf of any third party or any other company/firm etc.

#### **4. DISBURSAL OF THE LOAN**

The loan will be disbursed to the borrower in one or more instalment(s) as may be required by the borrower. The disbursement may be direct to the supplier or by credit to Savings Bank or Current Account of the Borrower, depending upon the purpose for which the loan is sanctioned. The borrower shall give at least three clear days prior notice of drawal of any installment of the loan

which advise may be waived by the Bank at its option.

## 5. REPAYMENT OF LOAN

1) The borrower shall repay the Doctors' Credit Term Loan specified under Schedule I (d) of this agreement within the period mentioned in Schedule II (1) (a) by monthly installments of the amount stated in Schedule II (1) (b) of this agreement.

2) The borrower agrees to repay the first installment on the date specified under Schedule II (1) (c) of this agreement and the remaining installments shall be paid to the bank on or before the same day of each month, until the entire loan has been repaid.

3) The Borrower shall pay interest at the rates mentioned in Schedule II (2) here in below, on the loans/ facilities to be calculated on the daily balances in the loan account(s) with monthly rests according to the practice of the Bank and as per the guidelines as applicable issued by RBI from time to time. The Borrower understands that the term "**MCLR**" means Marginal Cost of Funds based lending rate, which is a tenure linked benchmark, arrived based on the corresponding tenure of a particular advance/ facility.

The actual lending rate shall be determined by adding the components of Spread to MCLR (of appropriate tenure). MCLR of different tenures shall be reviewed and published by the Bank on the 1<sup>st</sup> day of every month. The interest rate in a particular loan account will be changed only on the Reset date/ period, irrespective of tenure of MCLR or interim changes in the rates of MCLR. The revised rates (prevailing on the date of reset) shall be made applicable to the loans/ facilities extended, from the 1<sup>st</sup> day of the corresponding month of the reset period expiry (for the initial reset), irrespective of the actual date of availing and subsequent reset shall be on the 1<sup>st</sup> day of the corresponding month of reset period fixed.

MCLR prevailing on the date of first disbursement shall be applicable and rate of interest will remain unchanged until the date of next reset, irrespective of interim changes in MCLR.

4) Interest specified in the Sanction Letter or any other provision in the Transaction Documents will be computed from the respective date of drawal and shall become payable upon the footing of compound interest with monthly rests or such other rests as may be prescribed by the Bank from time to time.

5) Interest on the outstanding amounts under the Facilities / discount or other charges when debited to the relevant Account by the Bank, shall be calculated on the daily debit balance of such Account. In the event of remittance being made into the account after the normal business hours (i.e. beyond 4 hours from the commencement of business hours), but within the extended business hours, the Bank will have the discretion to value date such remittance on the next succeeding business day for the purpose of calculation of interest.

6) Interest, commission, discount and all other charges shall accrue from day to day and shall be computed on the basis of 365 days a year for rupee Facilities and the actual number of days elapsed.

7) The Borrower(s) further agrees(s) that Bank is at liberty to vary the MCLR at periodic intervals depending on tenor/ residual tenor to next reset date and / or the Spread at such rate(s) as may be decided by the Bank from time to time either on account of a revision in the MCLR of the Bank for the corresponding tenor/ residual tenor and/ or deterioration in credit quality/ rating of the Borrower(s) as assessed from time to time by the Bank or otherwise as decided by the Bank from time to time/ as per directives of the Reserve Bank of India as the Borrower(s) agree(s) to pay the interest at such revised rate. The Borrower specifically waives notice of variation of any change in the interest rate/ rest and notice published in Bank's Notice Board/Web Site of the Bank or entry regarding debit of interest in the statement of account shall be deemed to be sufficient notice of

variation in rate of interest/ rest to the Borrower. Further, the Bank will be entitled to effect changes in the 'Spread' from time to time with due intimation to the Borrower and unless and until notified by the Bank, the prevailing Spread will continue to apply and will be added to the applicable/ revised MCLR to determine the effective rate of interest. Provided, further that the interest payable by the Borrower shall also be subject to the changes in the interest rates made by Reserve Bank of India from time to time.

8) The principal amount under the respective Facilities shall always include and/or shall deem to and include also the interest calculated and debited to the loan account with rests mentioned hereinabove as well as all other charges, costs etc. debited in the account of the Borrower from time to time cumulatively.

9) The Borrower understands that In the event of the account being classified as Non Performing Asset (NPA), the Borrower will be liable to pay interest at an enhanced rate of 2% over and above the then effective rate of interest with monthly rests in addition to penal interest @ 2% per annum or such other rate fixed by the Bank from time to time. 11) The Borrower further understands that in the 'event of default' for reasons other than the account becoming NPA, the Borrower will be liable to pay penal interest @ 2% or such other rates fixed by the Bank from time to time, over and above the contractual rate of interest. Provided further that the charging or payment of such enhanced/additional/penal rate of interest shall be without prejudice to other rights and remedies of the Bank.

## **6. FEES AND OTHER CHARGES**

The Borrower agrees to pay processing fee/ upfront fee, commitment charges, valuation charges, documentation charges, inspection charges and such other charges fixed by the bank from time to time.

## **7. PRE-PAYMENT CHARGES**

The Borrower agrees that Bank is entitled to charge pre-payment charges as mentioned herein below:-

- a) If the loan is closed from own sources after two years from the date of availment, no pre-payment charges will be charged.
- b) If the loan is closed from own sources before 2 years, pre-payment charges @1% of the pre-paid amount will be charged.
- c) If the loan is closed through take over by other Banks/Financial Institutions, pre-payment charges @2% of the pre-paid amount will be charged.

## **8. AGREEMENT TO OPERATE AS ADDITIONAL SECURITY**

This agreement shall operate as a security to the Bank in addition to any other security, if any, already held by the Bank for the repayment to the Bank on demand of the balance dues to the Bank by the Borrower at any time or ultimately on the closing of the said Accounts upto the aggregate amount specified in Schedule I (d) of this agreement. The expression "the balance due to the Bank in this and subsequent claims of this Agreement shall be taken to include the principal moneys from time to time due on the said Accounts whether demanded or not and also all interest(s) including additional interest, penal interest/commission charges, interest tax, liquidated damages by whatever name called, calculated from day to day in a manner and at the rate hereinafter mentioned and the amount of all cost, charges and expenses of the Bank which the Bank may have paid or incurred in any way in connection with the hypothecated goods and other assets including the sale and disposal thereof and any other sum that is hereunder declared as

which may be debited to the accounts and interest thereon.

## **9. EVENTS OF DEFAULT**

1. Notwithstanding anything contained herein or in the security documents, Bank may at its sole and absolute discretion recall the whole advance and the Bank will be entitled to enforce its security upon the happening of any of the following events, viz:-

- a) Any one or more installment(s) (EMI) being unpaid upon the due date for payment thereof.
- b) On failure on part of the borrower to service the interest and other charges/ costs debited in the Account/s.
- c) The Borrower committing any breach of default in the performance or observance of these presents and/ or the borrower's proposal and/ or security documents or any other terms or conditions relating to the advance;
- d) The Borrowers/ Guarantor entering into any agreement or composition with its creditors or commit any act of insolvency;
- e) Any execution or distress being enforced or levied against the whole or any part of the Borrower's/ Guarantor(s)'s properties;
- f) The Borrower/ Guarantor(s) going into insolvency proceedings;
- g) A Receiver being appointed in respect of the whole or any part of the property of the Borrower/ Guarantor(s).
- h) The occurrence of any event or any circumstance which is prejudicial to or impairs, imperils or depreciates or is likely to prejudice, impair, imperil or depreciate the security given to the Bank; and
- i) The occurrence of any event or circumstance which would prejudicially or is like to prejudicially or adversely affect in any manner the capacity of the Borrower to repay the loan.

2. On the question whether any of the above events has happened, the decision of the Bank shall be conclusive and binding on the Borrower .

## **10. INSURANCE**

The Borrower agree that all the assets hypothecated, pledged, mortgaged or otherwise charged to the Bank as security for the aforesaid credit facilities shall be kept at the Borrower's risk and expenses in good condition and fully insured against fire and/or such other risk(s) as the Bank may from time to time stipulate in the joint name of the Borrower and the Bank with an insurance company approved by the Bank and for such amount as the Bank may consider necessary and that the insurance policies shall be delivered to the Bank. If the Borrower fails to effect such insurance, the Bank may, without being obliged to do so, insure the movable and immovable and other assets against fire and such other risk(s) in joint names of Bank and Borrower and debit the premium and such other charges to any account of the Borrower opened or to be opened. The Borrower agrees that debiting of insurance premium for a particular year(s) will not cast any obligation on the Bank to take out insurance policies of the secured assets in subsequent years. In the event of Bank being at any time apprehensive that the safety of the goods/assets is likely to be endangered owing to riot and/or strike (including fire arising there from) and/or floods, earthquakes etc. and/or also resulting in the loss of production there from, the Bank may at its own discretion, but without being bound to do so, insure or require the Borrower to insure in joint names against any damage arising there from, the cost of such extra insurance being payable by the Borrower be debited to any such account. If the Bank desires that the assets shall be insured against theft, the Borrower shall provide sufficient cover there for. The Borrower agrees that in the event of loss of insured asset, the Borrower shall submit the insurance claim to the insurance

company under intimation to the Bank and in the event of receipt of claim amount directly from the insurance company the Borrower undertakes to remit the same to the Bank. The Borrower further expressly agree that the Bank shall be entitled to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Borrower and also to receive all monies payable under any such insurance or under any claim made there under and to give a valid receipt there for, and that the amount so received shall be credited to the Borrower's account and the Borrower shall not raise question that a larger sum might or ought to have been received or be entitled to dispute its liability for the balance remaining due on any account or accounts after such credit. Provided that the Bank may at its sole, absolute and unqualified discretion waive all or any of these requirements.

### **11. POST DATED CHEQUES**

On demand the Borrower agrees to deliver to the Bank post-dated cheques for the monthly instalments and the Borrower warrants that the cheque will be honoured on first presentation. Any non-presentation of a cheque due to any reason will not affect the liability of the Borrower to pay the monthly instalments or any other sum. The Borrower agrees to forthwith replace the cheque/ issue fresh cheques if required by the Bank. The borrower shall not be entitled to call upon the Bank to refrain from presenting any cheque for payment and if the borrower does so, the Bank shall nevertheless be entitled to present the cheque for payment and in the event of dishonour the provisions under Chapter XVII of the Negotiable Instruments Act, 1881 shall apply.

### **12. AGREEMENT NOT PREJUDICIAL TO RIGHTS OR REMEDIES OF THE BANK**

The Borrowers state that nothing herein shall prejudice any rights or remedies of the bank in respect of any present or future security, guarantee, obligation or decree for any indebtedness or liability of the borrower to the bank.

### **13. BANK'S RIGHT OF SET OFF AND LIEN**

1) The Bank shall have the right of set-off/ net off on the deposits of any kind and nature (including fixed deposits) held/ balances lying in any accounts of the Borrower and on any monies, securities, bonds and all other assets, documents, deeds and properties held by/ under the control of the Bank / their trustees or agents (whether by way of security or otherwise pursuant to any contract entered/to be entered into by the Borrower in any capacity) to the extent of all outstanding dues, whatsoever, arising as a result of any of the Bank' services extended to and/or used by the Borrower and/or as a result of any other facilities that may be granted by the Bank to the Borrower. The Borrower also notes the banker's lien available to the Bank on the aforesaid assets.

2) In addition to the above mentioned right or any other right which the Bank may at any time be entitled whether by operation of law, contract or otherwise, the Borrower authorises the Bank:

(A) to combine or consolidate at any time all or any of the accounts and liabilities of the Borrower with or to any branch of the Bank;

(B) to sell or dispose off any of the Borrower's securities or properties held by the Bank by way of public or private sale or assignment or in any other manner whatsoever without having to institute any judicial proceeding whatsoever and retain/appropriate from the proceeds derived there from the total amounts outstanding to the Bank from the Borrower, including costs and expenses in connection with such sale / disposal / transfer / assignment.

**14. APPROPRIATION OF AMOUNT PAID**

The Borrower agrees, declare, affirm and confirm that notwithstanding any of the provisions of the Contract Act or any other law or any terms and conditions to the contrary contained in this Agreement and/or any security documents, any payment(s) made by the Borrower to the Bank shall unless otherwise agreed by the Bank in writing be appropriated by the Bank in the following manner:-

Firstly, towards costs, charges, expenses and other moneys, due and payable or becoming due and payable to the Bank;

Secondly towards interest due and payable and/or accruing due and payable to the Bank; and

Lastly towards repayment of the amount of any installment(s) of the Principal sums due and payable or becoming due and payable to the Bank.

**15. RIGHT TO DISCLOSE/ PUBLISH DETAILS OF BORROWER**

1. The Borrower agrees as a pre-condition of the credit facility granted by the Bank that in case any default is committed in the repayment of the loan/advance or in repayment of interest thereon or any of the agreed instalment of the loan on due date/s, the Bank and/or the Reserve Bank of India will have an unqualified right to disclose or publish the name and/or photograph of the Borrower as defaulter in such manner and through such medium as the Bank or the Reserve Bank of India in their absolute discretion may think fit.

2. (a) The Borrower understand that as a pre-condition, relating to grant of the credit facilities, The South Indian Bank Ltd., requires Borrower's consent for the disclosure of, information and data relating to the Borrower, of the credit facility availed of/to be availed of, by the Borrower, obligations assumed/to be assumed, by the Borrower , in relation thereto and default, if any, committed by the Borrower , in discharge thereof.

(b) Accordingly, the Borrower hereby agree and give consent for the disclosure by The South Indian Bank Ltd. of all or any such;

i) Information and data relating to the Borrower.

ii) The information or data relating to any credit facilities availed/to be availed by the Borrower and

iii) Default, if any, committed by the Borrower in discharge of obligation of Borrower , as the Bank may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Ltd (CIBIL) and/or any other agency authorised in this behalf by RBI.

(c) The Borrower also declare that the information and data furnished by the Borrower to the Bank are true and correct.

(d) The Borrower undertake that

i) the Credit Information Bureau (India) Ltd. (CIBIL) and/or any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and

ii) the Credit Information Bureau (India) Ltd. (CIBIL) or any other agency so authorised may furnish for consideration, the proposed information and data or products thereof prepared by them, to any Banks/Financial Institutions and other credit grantors or registered users, as may be specified by Reserve Bank of India in this behalf.

**16. SPECIAL CONDITIONS**

In addition to the other terms and conditions stated in this Agreement, the General Conditions and the other Transaction Documents, the Borrower shall also comply with the terms and conditions specified in Schedule III hereto.

### **17. SEVERABILITY OF PROVISIONS**

The Borrower agrees that except as otherwise provided herein, if any provisions of this agreement shall be held by a Court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions and clauses shall remain in full force and effect.

### **18. INTERPRETATIONS AND CONSTRUCTION OF THE AGREEMENT**

For the purposes of interpretation and construction of this agreement:

- a) Words importing one gender include the other;
- b) Words importing the singular or plural number include the plural and singular numbers respectively;
- c) Any schedule, and the provision and conditions contained in such schedule will have the same effect as if set out in the body of the agreement. In the event of any conflict between the Schedule and the body of this agreement, the provisions and conditions in the Schedule of this agreement will prevail.
- d) The Section Headings or Chapter Headings used in this Agreement are intended for convenience only and shall not be used in interpreting this agreement or in determining any of the rights/ obligations of the parties to the Agreement.

### **19. WAIVER OF RIGHTS INCONSISTENT TO THE AGREEMENT**

The Borrower(s)/ Applicant(s) hereby further waive all his/ her/their rights inconsistent herewith which the Borrower(s)/ Applicant(s) may otherwise be entitled to claim and enforce in respect thereof.

### **20. VALIDITY OF THE AGREEMENT**

This agreement shall be valid and binding on the Borrower till the ultimate balance with interest thereon to become payable upon the said loan account including all moneys lent, advanced, paid or incurred together with interest, discount, commission and other banking charges as fixed by the bank from time to time and other costs, charges and expenses which may become payable in connection therewith.

**Borrower**

**The South Indian Bank Ltd.**

a.	<b>Date and Place of Agreement</b>	
b.	<b>Details of the Borrower(s)</b>	
	Name of the Borrower(s)	
	Constitution of the Borrower(s)	
	PAN/ TAN/ CIN of the Borrower	
	Name(s) of the signatories/ authorised signatory(ies)	
	Address of the Borrower	
	Fax No/s.	
	E-mail id	
	Phone No/s.	
	Attn: Mr./Ms.	
c.	<b>Details of the Branch</b>	
	Place of the Branch	
	Address of the Branch	
	Fax No/s.	
	E-mail id	
	Phone No/s.	
d.	<b>Details of facility</b>	
	Date of Sanction letter (LD 1100/ 1100A)	
	Loan Amount (In figures and words)	
e.	Purpose of the Loan	

**1. Repayment of Term Loan**

a.	Period of Loan	_____ Months
b.	Instalment Amount	
c.	Date of payment of 1 <sup>st</sup> Instalment	

**2. Applicable Rate of Interest**

The Applicable Rate of interest for the facility granted/ to be granted to the Borrower is as follows:

Sl. No.	Nature of the limit	..... month(s) MCLR	Reset period	Spread	Effective Rate of Interest (C + E)	Rest	Remarks, if any.
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1							
2							
3							

**Prepayment / Pre-closure Charges**

The Borrower agrees that Bank is entitled to charge pre-payment/ pre-closure charges as mentioned herein below:-

**SCHEDULE – III  
SPECIAL CONDITIONS**

**Borrower**

**The South Indian Bank Ltd.**