

(To be stamped as an agreement of hypothecation)

**MOBILOAN (VEHICLE LOAN) CUM HYPOTHECATION AGREEMENT**

**BY**

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

**IN FAVOUR OF**

**THE SOUTH INDIAN BANK LTD**

Amount	Rs.
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This forms part of the Mobiloan (Vehicle Loan) cum Hypothecation Agreement executed by  
\_\_\_\_\_ **Insert the name of the Borrower** \_\_\_\_\_ in favour of **The South Indian Bank Ltd.** dated  
\_\_\_\_\_

**Borrower**

**THIS AGREEMENT** is made at the place and date as specified in Schedule I (a) **BY** 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) **IN FAVOUR OF** 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 applied to the Bank for a loan/ advance of the amount more particularly described under Schedule I (d) of this Agreement under South Indian Bank's Vehicle Loan Scheme for the purchase of the Vehicle stated in Schedule I (e) of this Agreement,

**AND WHEREAS** the Bank has agreed to advance/already advanced such loan upon the terms set forth in these presents and in the loan sanction letter and other loan/security documents.

**NOW IT IS HEREBY AGREED, DECLARED, RECORDED AND CONFIRMED AS FOLLOWS:-**

## **ARTICLE I**

### **SPECIFIC TERMS OF THE FACILITY**

#### **1.1 PREAMBLE**

The preamble portion of this agreement shall be deemed to be an integral part of this agreement.

#### **1.2 LOAN APPLICATION TO CONSTITUTE THE BASIS OF AGREEMENT**

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 one of the statement and particulars therein contained and undertakes to carry out the proposals therein set forth.

#### **1.3 MARGIN**

The Borrower agrees to contribute a percentage of the on the road price of the vehicle to be purchased not less than what is specifically stated in Schedule I (f) hereunder (hereinafter referred to as 'margin money') and the Borrower authorize the Bank to make payment of the loan proceeds and margin money directly to the suppliers. If the difference between the on road price of the vehicle and loan amount exceeds the stipulated margin, the Borrower shall deposit the entire difference amount as margin with the Bank.

#### **1.4 BORROWER'S WARRANTY**

a. The Borrower understands that the advance shall be governed by the terms and conditions contained herein as well as those embodied in the loan sanction letter, South Indian Bank's Vehicle Loan Scheme 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.

- b. The Borrower agrees and undertakes that Borrower will utilize the whole amount advanced by the Bank for the purchase of the vehicle in the name of the Borrower and forward to the Bank the original Bill, Voucher or receipt of such purchase within 7 days from the date of purchase or such other shorter period stipulated by the Bank.
- c. The Borrower agrees that the loan will be disbursed to the Borrower in one or more instalment(s) as may be fixed by the Bank and that the borrower shall give at least three clear days prior notice of drawal of any instalment of the loan, which advise may be waived by the Bank at its option.
- d. The Borrower agrees to produce the vehicle, its accessories and implements etc. at a place designated by the Bank once a month and/or as and when required by the Bank, for inspection, scrutiny or for any other purpose at the sole discretion of the Bank.
- e. The Borrower hereby undertakes to maintain the said vehicle(s) in good repair and condition and shall keep it / them properly serviced periodically. The Borrower also agrees to display a sticker in a conspicuous part of the vehicle stating that 'the vehicle is hypothecated to The South Indian Bank Ltd.'
- f. The Borrower undertakes that the vehicle be used and run according to the rules and regulations of the Licensing authority/Government/Traffic departments and all the formalities under law shall be properly and regularly observed without any default.
- g. The licence fee, terminal fees, taxes/insurance and other dues payable to the Government/Municipality or any other authority shall be paid by the Borrower. The Borrower shall also pay the inspection fee/cost for the inspection of the vehicle(s).
- h. All claims arising out of non-fulfilment of any of the requirements of law in force from time to time and relating to non-observance of terms and conditions of Motor Vehicle Act shall be paid by the Borrower.
- i. The salaries and allowances of all servants, drivers, conductors, etc. and any payments due to workers shall be paid by the Borrower.
- j. In the event of sale being arranged of any of the vehicles secured to the Bank by these presents during the pendency of the advance, the Borrower shall get the vehicle duly released after payment to the Bank of the amount fixed by the Bank as value of the vehicle and the advance shall stand reduced to the extent of the price so paid.
- k. The Borrower/s agrees and undertakes 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. The Borrower declares and confirms that the amount of the loan or the balance then outstanding shall become payable at once in case of death of Borrower. In case of death, the Bank, may at its discretion, continue the loan provided sufficient collateral is furnished by legal heirs of Borrower/surviving borrower(s) or some satisfactory arrangement for repayment acceptable to the Bank has been made by Borrower's legal heirs/surviving Borrower(s).
- l. The Borrower undertakes to complete all formalities pertaining to the vehicle loan within a period of one month from the date of availment, failing which the Borrower agrees to the Bank charging interest Up to the Bank's Base Rate plus maximum spread with monthly rests, besides penal interest, as may be fixed by the Bank from time to time.
- m. The Borrower shall upon request of the Bank, allow the Bank and any nominee, servant or

agent of the Bank to inspect the vehicle for ensuring that the Borrower has duly complied with the terms of the advance.

n. 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.

o. The Borrower agrees 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 without the production of any voucher/ document/ register.

## ARTICLE II

### REPAYMENT OF LOAN, INTEREST, OTHER CHARGES& EVENT OF DEFAULT

#### 2.1 REPAYMENT OF LOAN & INTEREST APPLICABLE

1. The Borrower agrees to repay the loan amount together with interest in the period specified in Schedule II (a) of this agreement in equated monthly instalments (EMI) stated in Schedule II (b) of this agreement. 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.

2. The due date of monthly instalment shall be corresponding date of each month subsequent to the date of disbursement till the entire loan with interest, cost etc. is repaid.

3. The Borrower agrees that on account of upward revision of interest or for any other reason, without giving any reasons to the Borrower the Bank will have absolute liberty and discretion to refix the amount of instalment and in that event the Borrower shall be liable to repay the loan with revised interest at such revised instalment or the Bank may at its sole and absolute discretion extend the period of repayment mentioned hereinabove.

4. In the event of any amendment/ alteration to the amount of instalment and/or the number of instalments on account of the above reasons, then the same shall be deemed to have been substituted here in this Agreement.

5. The Borrower agrees to pay interest at the rate on the rests specified under schedule II (c) of this agreement, with the rests mentioned therein.

6. The Borrower further agrees as follows:

- a) Notwithstanding the above, the Borrower agrees that the Rate of Interest may increase on account of the change of policy/directives of Reserve Bank of India/ variation in MCLR and /or Spread and in that case the Borrower agrees to pay such revised rate of interest. The Borrower also agrees that if such revised rate of interest is not acceptable, the Borrower shall make repayment of entire balance outstanding in the loan account within a period of 30 days from the date of reset of rate of interest without pre-payment charges. If the Borrower neither accepts the revised rate of interest nor close the loan within 30 days from the date of reset of rate of interest, the Borrower shall be liable to pay interest at the revised rate of interest from the date of interest rate reset and in the event of pre-payment of loan after 30 days from the date of reset, the Borrower agrees to pay additional interest of 2% on the prepaid amount, calculated from the end of 30 days period till the date of pre-closure.
- b) The interest shall be calculated respectively on the daily balance of the amount due.
- c) 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.
- d) 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.
- e) 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 360 days for foreign currency Facilities, and the actual number of days elapsed.
- f) 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.
- g) Without prejudice to the above, the Bank will also have the right to charge and the Borrower will remain liable to pay penal interest at 2% per annum or such rate as may be prescribed by the Bank and/or the Reserve Bank of India, from time to time, in case the borrower violates any of the terms and conditions contained herein and/or in the sanction letter and/or for becoming the account irregular/out of order/Non Performing Asset and/or the credit rating of the Borrower is

downgraded or on account of changes in risk weight stipulated by RBI or on any other circumstances, as the Bank may deem fit and necessary, provided that the charging or payment of such penal rate of interest shall be without prejudice to other rights and remedies of the Bank.

## **2.2 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.

## **2.3 PAYMENT OF OTHER CHARGES/ FEES**

The Borrower agrees to pay all the charges/fees mentioned in Bank's sanction. The Borrower also agrees to reimburse to the Bank all charges for legal scrutiny of title deeds, expenses incurred for valuation of property/assets offered as security to the Bank, inspection of security, visit of secured property, obtention of search reports / Encumbrance Certificate from Registrar of Assurances, etc. The Borrower waives specific notice in respect of any such charges or revision thereof and notice published in the Notice Board displayed at the Branch of the Bank or entry in the account copy shall be deemed to be sufficient notice to the Borrower.

## **2.4 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 instalments or portion of the principal monies and/or interest being unpaid upon the due date for payment thereof.
- b) The Borrower/s 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;
- c) The Borrowers entering into any agreement or composition with its creditors or commit any act of insolvency.
- d) Any execution or distress being enforced or levied against the whole or any part of the Borrower's properties;
- e) The Borrower going into liquidation or insolvency proceedings;
- f) Receiver being appointed in respect of the whole or any part of the property of the Borrower.
- g) The Borrower ceasing or threatening to cease, to carry on its activities;
- 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.

### **ARTICLE III**

#### **SECURITY FOR THE FACILITY & OTHER TERMS**

##### **3.1 SECURITY**

A. The Facility together with all interest, all fees, commitment charges, costs, charges, expenses and other monies whatsoever stipulated in or payable under this Agreement and the other Transaction Documents shall be secured by Primary/ Collateral Security as specified in Schedule III of this Agreement

B. The security will be created in favour of the Bank, as required by the Bank, in a form and manner acceptable to the Bank.

C. The Borrower shall make out / ensure that the third party security provider (if any) shall, make out a good and marketable title to its properties to be mortgaged to the Bank and comply with all such formalities as may be necessary or required for the said purpose. In case the Borrower / third party security provider is a company, the particulars of charges shall be filed with the Registrar of Companies within the period prescribed by law.

##### **3.2 HYPOTHECATION OF VEHICLE (S)**

a. The vehicle (s) described in Schedule III (a) of this agreement of which the Borrower is the rightful owner shall be security to the Bank until the said advance is completely repaid.

b. As security for the repayment of the loan by the Borrower to the Bank, the Borrower hereby hypothecates the vehicle described in the Schedule III (a) hereunder, by way of first charge in favour of the Bank.

c. The interest shall be charged on the outstanding in the account on the rates specified under clause 1.5 above and as revised from time to time and charging of such revised rate of interest and other charges, expenses etc. debited in the account shall always be construed as agreed to be paid by the Borrower and hereby secured.

d. In the event of any vehicle(s) becoming not usable/damaged, the Borrower shall cause further security to be provided to the Bank.

e. This Agreement and the security by way of hypothecation created hereby shall operate as a continuing security for the ultimate balance due hereunder to the Bank and the security shall continue in operation till this agreement is expressly cancelled either by the Bank or by mutual consent of the parties, such cancellation by the Bank not to affect the obligations already incurred.

##### **3.3 BANK'S RIGHT ON THE SECURITY**

a. In the event of failure to observe any of the conditions set out in the loan/security documents, the Bank can exercise their right on the security and may or can seize said vehicle(s) with or

without notice to the Borrower.

b. The Bank may in exercise of the powers cause the said vehicle(s) to be sold by public auction or otherwise after seizure with or without notice to the Borrowers. In order to facilitate sale of vehicle the Borrower agrees to execute and deliver to the Bank undated transfer/sale letter.

c. 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.

d. For all purposes the Bank's interest in the vehicle(s) shall be to the extent to 'security to the Bank' and the Borrower shall remain owner for purposes of observing the regulations of the motor vehicles, etc.

### **3.4 DELIVERY OF POST-DATED CHEQUES BY BORROWER**

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.

### **3.5 BANK'S RIGHT OF GENERAL LIEN AND SET OFF**

a. The Borrower agrees that in the event of default being committed in payment of the instalments, the Bank may at its discretion in exercise of its rights of set off appropriate any deposits standing to the credit of Borrower in your branch or any branch of the Bank. The Borrower further agrees and declares that the Bank shall have a right of general lien and set off on all my/ our other accounts and/or securities including gold/silver ornaments, share certificates including demat securities, LIC Policies, National Saving Certificates etc. in custody of the Bank either as securities for any other loan/advance availed by the Borrower from the Bank or kept in safe custody and that the Bank may at its discretion in case of breach of terms of this Agreement may sell/dispose of such securities and appropriate the proceeds in pro-tanto satisfaction of the Bank's dues.

b. 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.

c. 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

### **3.6 BORROWER TO HOLD THE REGISTRATION CERTIFICATE UNDER TRUST**

The Borrower also agrees to execute necessary forms to be submitted to the Road Transport authority for noting Bank's lien in the registration certificate/book and all expenses in this regard will be borne by the Borrower. Further the Borrower agrees to furnish copy of Registration Certificate issued by the Road Transport Authority, duly signed by the Borrower, to the Bank immediately on receipt of the same and the same may be annexed to this agreement and treated as part of Schedule to this Agreement. Further in consideration of the Bank allowing the Borrower to hold the registration certificate of the vehicle secured to the Bank for the purpose of keeping the same in the vehicle for traffic inspection purpose, the Borrower undertakes to hold the same under trust on behalf of the Bank and produce the same to the Bank as and when called for.

### **3.7 INSURANCE**

The Borrower shall ensure to the satisfaction of the Bank and keep the vehicle constituting Bank's security comprehensively insured by the Bank, against fire and all other risks for a sum equivalent to its full market value with an Insurance Company suggested by the Bank in the name and sole benefit of the Bank or in the borrowers name with Bank clause incorporated therein, as may be stipulated by the Bank, 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 vehicle comprehensively in the name of the Bank or in the borrowers name with Bank clause incorporated therein, as may be decided by the Bank at its absolute discretion 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 vehicle in subsequent years. The Borrower agrees that in the event of loss of vehicle, 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 thereunder and to give a valid receipt therefor, 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. The Borrower also agrees to execute a letter addressed to the insurance company to pay the proceeds directly to the Bank in the event of arising of any claim in respect of the vehicle and deliver the letter to the Bank.

### **3.8 BAILOR – BAILEE RELATIONSHIP**

The vehicle(s) described in the schedule III will remain and shall be treated as the property transferred to the Bank bailed out to Borrower for running the vehicle(s) in good condition. The Bank has the position of the 'bailor' and the Borrower is the 'bailee' for purpose of this agreement. The Bank may as bailor take possession of all or any of the vehicle(s) at any time and may dispose of the vehicle(s) by sale or otherwise for such price as it thinks fit and shall appropriate the price so received towards the amount due under the advance aforesaid.

### **3.9 SALE OF VEHICLE**

On sale of the vehicle,

a) if the net sum realised by such sale be insufficient to cover the balance then due to the bank, the bank shall be at liberty to apply any other money or moneys in the hands of the bank standing to the credit or belonging to the borrowers or any one more of them in or towards payment of the balance for the time being due to the bank and in the event of their not being any such money or moneys as aforesaid in the hands of the bank or in the event of such money or moneys being still insufficient for the discharge in full of such balance the borrowers promise and agree forthwith on production to them further balance which may appear to be due by the borrowers thereon. PROVIDED ALWAYS that nothing herein contained shall deemed to negate qualify or otherwise prejudicially affect the right of the bank (which it is hereby expressly agreed that bank shall have) to recover from the borrowers the balance for the time being remaining due from borrowers to the bank notwithstanding that all or any of the said hypothecae may not have been realised.

b) In the event of there being a surplus available of the net proceeds of such sale after payment in full of the balance due to the bank it shall be lawful for the bank to retain and apply the said surplus together with any other money or moneys belonging to the borrowers or any or more of them for the time being in the hands of the bank in or under whatever accounts as far as the same shall extend against in or towards payment or liquidation of any and all other moneys which shall be or may become due from the borrowers or any one or more of them whether solely or jointly with any other person or persons, firm or company to the bank by way of loans discounted bills, letters of credits, guarantees, Charges or on any other debts or liability including Bills, Notes, Credits and other obligations current though not then due or any one or more of them or which the law of more of them may have against the borrowers or any one or more of them or which the law of set off or mutual credit would in any case admit and whether the borrowers or any one or more of them shall become or be adjudicated bankrupt or insolvent or be in liquidation or otherwise and interest thereon from the date on which any and all advance or advances in respect thereof shall have been made at the rate of respective rate at which the same shall have been so advanced.

### **3.10 INDEMNITY**

The bank shall not be under any liability whatsoever towards the borrower or any other person for any loss or damage, to the said hypothecated vehicle, the subject of this Agreement to whatever cause or manner arising whether such hypothecated vehicle shall be in the possession of the bank or not at the time of such loss or damage or the happening of the cause thereof. The borrower shall at all times indemnify and keep indemnified the bank from and against all suits, proceeding, costs, charge claims and demand whatsoever that may at any time arise or brought or made by any person against the bank in respect of any acts, matters and things lawfully done or caused to be done by the bank in connection with the said hypothecated vehicle or in pursuance of the

rights and powers of the bank under this Agreement.

#### **ARTICLE IV**

#### **DISCLOSURE OF DETAILS OF BORROWER AND VALIDITY OF THE AGREEMENT**

##### **4.1 DISCLOSURE OF DETAILS OF BORROWERS**

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.

##### **4.3 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 IV hereto.

##### **4.4 SEVERABILITY OF PROVISIONS**

If any provision of this agreement is illegal, invalid or unenforceable for any reason, it will be severed from the remaining provisions, which will remain unaffected.

#### **4.5 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.

#### **4.6 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.

#### **4.7 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.

**Borrower**

**SCHEDULE – I**

<b>a.</b>	<b>Date and Place of Agreement</b>	
<b>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.	
<b>c.</b>	<b>Details of the Branch</b>	
	Place of the Branch	
	Address of the Branch	
	Fax No/s.	
	E-mail id	
	Phone No/s.	
<b>d.</b>	<b>Details of facility</b>	
	Date of Sanction letter (LD 1100/ 1100A)	
	Amount of facility (in figures)	
	Amount of facility (in words)	
<b>e.</b>	Scheme of Loan	
	Vehicle Purchased/ being Purchased	
<b>f.</b>	Margin Required	

**SCHEDULE – II**

<b>a.</b>	Period of Loan	_____ months
<b>b.</b>	Equated Monthly Instalments (EMI)	

**c. 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							

**d. Prepayment / Pre-closure Charges**

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

**SCHEDULE – III**

Details of Vehicles (including accessories/implements etc.)

Description of vehicles, accessories etc.	Make	Model	Regn. No.	Engine No.	Chasis No.	Purchased from	Purchase price & date of purchase

<b>a.</b>	<b>Details of Collateral Security</b>	
<b>b.</b>	<b>Details of Guarantors</b>	
1.	Name and address	
2.	Name and address	

**SCHEDULE - IV**  
**SPECIAL CONDITIONS**

**Borrower**