

(To be stamped as an agreement-cum-general power of attorney)

**EDUCATIONAL LOAN AGREEMENT**

**BETWEEN**

\_\_\_\_\_ **Insert the name of the Borrowers** \_\_\_\_\_

**AND**

**THE SOUTH INDIAN BANK LTD**

Amount	Rs.
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This forms part of the EDUCATIONAL LOAN Agreement executed between \_\_\_\_\_ **Insert the name of the Borrowers** \_\_\_\_\_ **AND The South Indian Bank Ltd.** dated \_\_\_\_\_

**The South Indian Bank Ltd.**

**Borrower**

**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 "**Borrowers**" 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 student intends pursuing study/higher study inland/abroad particulars whereof are set out in Schedule I (d) of this agreement and the Borrower(s) have applied for loan for meeting the fees, books, stationery, hostel expenses, air passage (in the case of study abroad) and other expenses of the course.

**AND WHEREAS** a loan for the said purpose up to the limit of to the amount specified in Schedule I (e) of this Agreement has been sanctioned to the Borrower(s) by the Bank.

**AND WHEREAS** the parties hereto have agreed that the terms and conditions of the said loan shall be as set out hereunder.

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

In consideration of the Bank granting/ agreeing to grant the loan more particularly described in schedule I (e) of this Agreement, it is irrevocably and unconditionally agreed, declared, recorded and confirmed as follows:

## **ARTICLE I**

### **TERMS OF THE FACILITY**

#### **1.1 Construction of the Agreement**

- a. The preamble portion of this agreement shall be deemed to be an integral part of this agreement.
- b. The terms, conditions, covenants etc. contained in this agreement shall apply, subsist and be operative in respect of the credit facilities granted or to be granted by the Bank and this agreement shall be construed and read as part and parcel of documents/agreements executed/to be executed by the Borrower(s) in favour of the Bank.
- c. 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.

#### **1.2 Borrower's Warranty, Undertaking & Declaration**

- a. The Borrower(s) hereby confirms the correctness of each and every statement and particulars contained in Borrower(s)'s application and undertake to carry out the proposals therein set forth.
- b. The Borrower (s) declares and confirms that the said credit facilities shall be governed by the

terms and conditions as set out in the Sanction Letter issued by the Bank as also by the terms and conditions herein contained, as well as those embodied in the respective loan agreements/documents and security documents.

c. The Borrower(s) undertakes to notify in writing to the Bank of any circumstance(s) affecting the correctness of any of the particulars set forth in the Borrower(s)'s application immediately on the happening or occurrence of any such circumstance(s) and also agrees to inform the Bank about the death of co-Borrower(s), guarantor(s), property owners etc. and in that event Bank may in its absolute discretion suspend operation / stop further withdrawal till fresh approval is obtained by the Borrower(s) from the Bank for continuing the loan.

d. The Borrower(s) undertakes that the credit facility advanced by the Bank shall be utilized for the purpose and in the manner set forth in the respective applications for credit facility(ies) read with the sanction letter thereto and for no other purpose.

e. The Borrower(s) expressly agrees with the Bank that the Bank shall be entitled to refuse to grant the said credit facility or any part thereof which may remain to be advanced in the event of:-

(i) any of the representations, assurances, statements and particulars contained in the application being found to be incorrect, untrue or misleading, in the opinion of the Bank.

(ii) failing to utilize the credit facility for the purpose for which or the manner in which or within the time stipulated in the sanction letter.

(iii) failing to comply the requirements regarding submission of various additional information as required by the bank.

(iv) fails to provide the security/ies as per the sanction stipulations to the satisfaction of the Bank.

On the question whether any of the matters, events or circumstances mentioned hereinabove has happened or occurred, the opinion of the Bank shall be conclusive, final and binding on the Borrower(s).

f. The Borrower(s) shall not enter into any pecuniary obligation or financial liability during the currency of the loan without the prior permission of the Bank.

g. Should there be any change in the Borrower(s)' financial position from what was stated in the application to the Bank for financial assistance which is likely to affect the Bank's decision to continue the finance, the same shall be notified to the Bank and thereupon the Bank may decide whether to continue the loan arrangement and if so, to what extent thereof.

h. The liability of the Borrower(s) to repay the loan shall be joint and several and it shall be the duty of each Borrower(s) to ensure that all the terms and conditions including repayment of the loan are duly complied with by the Borrower(s).

i. It is hereby expressly agreed and undertaken by each of the Borrower(s) that in the matter of making repayment towards this debt or acknowledging this debt when required by the Bank for the specific purpose of saving limitation, the repayment or acknowledgement made or given by any of the Borrower(s) shall be binding on other Borrower(s) jointly and/or severally and the said repayment and acknowledgement so made or given by any of the Borrower(s) shall save limitation against all of them jointly and/or severally for the purpose of law of limitation and the Borrower(s) hereby mutually authorize each other to execute acknowledgement of debt.

j. The Borrower(s) agree and understand that whenever the context requires, singular term shall include plural and plural term shall include singular.

### **1.3 Disbursal of the facility**

a. The Borrower(s) agrees that Bank is under no obligation to disburse the credit facilities on the same day of execution of loan/security documents/agreements by the Borrower(s) and the Borrower(s) agrees that Bank may disburse the credit facilities on a day subsequent to the date of execution of documents after satisfactory completion of all internal procedures of the Bank and compliance of all the requirements by the Borrower(s).

b. The Bank shall advance the loan to the Borrower(s) in such instalments and at such times as it deems fit and reasonable according to the requirement for payment of tuition fees, hostel fees, purchase of books, equipments etc. and the receipt of any one of the Borrower(s) shall serve as sufficient proof of the payment of the amount and shall be binding on other Borrower(s). The Borrower(s) agrees to provide margin as required by the Bank. The Borrower(s) hereby authorizes the Bank to make payment of the loan amount along with margin, if any, contributed by the Borrower(s) directly to the educational institution/hostel/book stall/suppliers/travel agent etc. The Borrower(s) undertakes to produce bills/Receipts etc. for such payments. The Borrower(s) undertakes that the loan proceeds will not be utilized for payment of capitation fee or donation.

c. The Bank shall not be bound to advance the maximum amount sanctioned and may decline to advance the amount or discontinue further advances at any time at its absolute discretion on the ground that the Borrower(s) have found other means of assistance or that the student has discontinued his studies or has failed in any examination or has failed to produce a satisfactory report of his studies and progress or the course/Institution is de-recognised by the authority concerned or the student fails to secure employment within the holiday period after completion of the course or for any other reasons which the Bank at its absolute discretion may consider justified and sufficient. In the event of such discontinuance, the payments already made shall be deemed to be a completed loan under this agreement and the Borrower(s) agrees to report the matter immediately to the Bank and the Borrower(s) also agrees to repay the entire outstanding dues in the loan account forthwith.

d. The loan shall be granted and disbursements made subject to the Bank's Rules and foreign exchange regulations and in case of studies abroad, the Borrower(s) shall comply with all the requirements prescribed by the Reserve Bank of India or other concerned authorities such as obtaining of necessary approval for remittance of foreign exchange in order to facilitate the availment of the loans and the Bank shall be at liberty to refuse to grant the loans, if the Borrower(s) fail to or are unable to comply with the Exchange Control or other regulations, for any reasons whatsoever or if the Bank is unable to comply with such requirements on its part on account of any impediments.

### **1.4 Monitoring of usage of funds by Auditors**

a. In order to monitor the usage of the funds borrowed under this agreement, the Borrower(s) agree and authorize the Bank access to Borrower(s)' auditors.

b. As per the authorization given the Borrower(s) to the Bank, the Bank can at its desire and requirement, at any point of time during the subsistence of this agreement call for from Borrower(s)' auditors, directly or through the Borrower(s), any specific certification/details regarding the usage of funds borrowed under this Agreement, so as to verify the end usage of the funds.

c. The Borrower(s) agree to give suitable instructions to their auditors for complying the direction of the Bank for obtaining the certificate within a reasonable time stipulated by the Bank. In this connection, the Borrower(s) agree to give full details of their auditors to the Bank. If the Borrower(s) change their auditors, then such changes shall be intimated to the Bank immediately.

d. If there is any undue delay in submitting the information by the Borrower(s) or by their auditors or if the Borrower(s) themselves or their auditors refuse to submit the required certificate/details called for or if it is subsequently found that there is some manipulation in the certificate/details given by the Borrower(s) or their auditors, then the Borrower(s) agree that the Bank has full discretion to recall the loan.

e. The Borrower(s) hereby confirm that Borrower(s) have no objection to the bank giving a separate mandate to Borrower(s)' auditors for issue of certificate regarding diversion/siphoning off funds borrowed from the bank.

### **1.5 Specific terms for Educational Loan**

a. The Borrower(s) undertake to keep the Bank informed about any change in his/her address and the student shall also intimate the Bank about his/her visits to India in case he/she visits India temporarily before the course is completed and also about his/her ultimate return to India. The student shall contact the Bank as soon as he/she returns to India and inform the Bank about his/her further programmes and the arrangements to repay the dues to the Bank.

b. The Borrower(s) undertakes to produce Tariff of fees, refundable deposits, hostel fees, details of eligible stipend etc. duly certified by the educational institution and list of books/instruments to be purchased duly certified by the Class Teacher/Principal.

c. On the expiration of current academic year and of each subsequent academic years of the educational course of the scholar the Borrower(s) shall, unless otherwise specified by the Bank, make a fresh application for continuing the assistance to the student and on such application being accepted by the Bank.

d. In case the Borrower(s) has undertaken the higher studies in India and intends to go abroad for further studies or for taking up a job, he/she shall intimate to the Bank immediately and thereupon the Bank may decide whether the loan has to be repaid in full before the student leaves the country or whether to allow the loan to be continued on revised terms and conditions.

e. The Borrower(s) shall inform the Bank of any change in the course of his/her studies, place of study or the institution as stated in his/her application.

f. Throughout the period during which the loan subsists, the Borrower(s) shall at the end of each half year submit to the Bank certificates, mark sheets or reports of his progress including results of the terminal or annual examination as the case may be, from the Head of the Institution where he/she is studying together with a certificate or report about his/her conduct and attendance in the said institution.

g. After completion of the course of study, the Borrower(s) undertake to report to the Bank from time to time as soon as the student secures employment giving full particulars of such employment including its nature and the salary and emoluments attaching thereto, and also report to the Bank any change in his/her address.

h. In case the student is minor, this Agreement is executed in favour of the Bank, by the natural guardian of the student both in his/her own capacity and on behalf of the minor student as

his/her natural guardian.

i. The Borrower(s) undertakes to utilize the loan amount disbursed under this Agreement exclusively for the educational purpose of the minor child on whose behalf the Borrower(s) have entered into an agreement and takes the burden of repayment of the entire loan amount jointly and severally, with the minor child on attaining the age of majority. The minor student on attaining the age of majority shall furnish a declaration that the loan advanced is binding on him and shall undertake to discharge the liability with interest in accordance with the terms and conditions stipulated in this agreement.

## ARTICLE II

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

#### 2.1 Repayment of loan

a. The Borrower(s) shall repay the total amount of this loan as well as loans, if any, already made and of fresh loans which may hereinafter be made or advanced to the Borrower(s) together with interest and incidental expenses by such instalments, as detailed below

The repayment shall start one year after completion of the course or after six months of getting employment/job whichever is earlier. In the case of overseas studies, the holiday is restricted to 6 months after the qualifying examination. The Borrower(s) shall inform the Bank once the course is completed or job or employment is secured. The Borrower(s) agree to repay the loan in 60 equal monthly instalments after the holiday/moratorium stated above.

The amount of equated monthly instalments will be fixed at the time of commencement of repayment by taking into account the principal loan amount and interest accumulated during repayment holiday period (if any). The EMI shall also include the future interest for the repayment period. The amount of EMIs may change depending upon the revision in rate of interest from time to time by the Bank and/or RBI.

b. In any event under any circumstances, irrespective of the fact that the student has secured employment or not or irrespective of the earnings of the Borrower(s) the entire amount advanced with interest and incidental charges shall be fully repaid within a period of 60 months from the date on which the first EMI falls due.

#### 2.2 Interest

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

b) 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.

c) The interest shall be calculated respectively on the daily balance of the amount due.

d) 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.

e) 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.

f) 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.

g) 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.

h) Without prejudice to the above, the Bank will also have the right to charge and the Borrower

will remain liable to pay penal interest @2% per annum or at 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.

i) The Borrower(s) specifically agrees that the principal amount under this agreement shall always include and/or shall deem to and include also the interest calculated and debited to the loan account with rests mentioned above, from time to time cumulatively.

### **2.3 Pre- Payment Charges**

If the borrower has availed the loan on Fixed Rate of Interest, the Borrower agrees to pay Prepayment Charges in the event of prepayment of the loan, either partly or fully at the rates mentioned below or at such other rates as may be fixed by the Bank from time to time:

i) If the loan is closed from own sources after two years from the date of availment, no pre-payment charges will be charged.

ii) If the loan is closed from own sources before 2 years, pre-payment charges @1% of the pre-paid amount will be charged.

iii) 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.

### **2.4 Payment of Other Charges/ Fees**

The Borrower(s) agrees to pay all the charges/fees mentioned in Bank's respective sanction intimation letter. Borrower(s) 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 stock/security, unit visit, obtention of Search Reports / Encumbrance Certificate from Registrar of Assurances, obtention of search reports from Registrar of Companies, filing of charges/modification/satisfaction of charges with Registrar of Companies etc. The Borrower(s) waives specific notice in respect of any such charges or revision thereof and entry in the account copy shall be deemed to be sufficient notice to the Borrower(s).

### **2.5 Bank's right to recall the loan/ extend the time of repayment/ refuse further withdrawals**

a. Notwithstanding anything contrary contained in this agreement, the Bank shall have the liberty to claim repayment of the whole amount under or by virtue of this agreement in one lump sum without reference to the instalments fixed above for the reasons either that the student has discontinued his/her studies or is in a position to repay the entire amount without availing himself/herself the benefit of repayment of instalments or for any other reason which the Bank at its absolute discretion consider good and sufficient. The Bank may likewise extend the time for payment of instalments or grant any concession or indulgence but no such extension of time or concession or indulgence granted shall in any manner affect, abridge or discharge the liability of Borrower(s).



b. The Borrower(s) hereby undertake that they 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 for which it is sanctioned. Further the Borrower(s) agree that if the Bank suspects or has reason to believe that the Borrower(s) have violated or is violating this undertaking, the Bank may at its option recall the loan or any part thereof at once notwithstanding, anything to the contrary, contained in this agreement or any other agreement.

c. The Borrower(s) agree that the Bank shall have right to exercise discretion to refuse further withdrawals by the Borrower(s) from the loan facilities granted to it for the following reasons:-

(i) If any of the account of any of the Borrower(s) has been classified as a non performing asset by the Bank in its books.

(ii) If the Borrower(s) has not complied with the terms of this loan agreement referred and other terms which the Bank may specify from time to time with respect to the loan facility granted by it to the Borrower(s).

The discretion exercised by the Bank as stated above shall be absolute and unconditional, and the Borrower(s) shall not question or raise any dispute about the same at any point of time whatsoever.

## **2.6 Statement of account/ extract from the computer to be conclusive proof**

The Borrower(s) agrees to accept as conclusive proof of the correctness of any sum claimed to be due from them to the Bank under the respective agreements for credit facility(ies), a statement of account/ extract from the computer or otherwise without the production of any voucher/document/register.

## **2.7 Bank's right to appropriate amount paid by the Borrower(s)**

a. The Bank shall notwithstanding any instructions to the contrary given by the Borrower(s) be at liberty to appropriate any amount paid by them towards the loan in such manner as the Bank may deem fit and necessary.

b. The Borrower(s) agrees, declares, affirms and confirms 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(s) to the Bank shall unless otherwise agreed by the Bank in writing be appropriated by the Bank in the following manner:-

First 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 the Principal sums due and payable or becoming due and payable to the Bank.

## **2.8 Events of Default**

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 Borrower(s) 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(s) going into insolvency proceedings;
- f) Receiver being appointed in respect of the whole or any part of the property of the Borrower(s).
- g) The Borrower(s) 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(s) to repay the loan.

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

### **ARTICLE III**

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

##### **3.1 Security**

- a. The Borrower(s) agrees to furnish security, guarantee etc. as stipulated in the sanction letter of the Bank and as demanded by the Bank from time to time. The Borrower(s) agrees to maintain such security margin as may be stipulated by the Bank. The Borrower(s) also agrees that the security offered for one facility shall be additional security for all other credit facilities. The Bank shall have absolute right to decide whether or not it will accept security for the purpose of any/some/all of the aforesaid credit facilities any movables and other assets offered to the Bank from time to time by the Borrower(s). The Bank shall be at liberty at its sole and absolute discretion at any time without previous notice and without assigning any reasons whatsoever to cease to accept the security from the Borrower(s) and/or to cease make advance there against.
- b. In the event of death of parents of student or any guarantor during the subsistence of the liability of the Borrower(s), the Borrower(s) offer any other person(s) as guarantor(s) as the Bank may agree and on the Bank agreeing to such acceptance of the guarantor(s), the said guarantor(s) shall execute a separate guarantee agreement in favour of the Bank provided that the execution of fresh guarantee agreement shall not affect any liability of the Borrower(s) and/or guarantor(s) for payment of the principal sum, interest and other monies payable as aforesaid and which have already become due and payable by the Borrower(s) to the Bank.

##### **3.2 Bank's right of General lien and Set Off**

a. 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.

b. 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

### **3.3 Insurance**

The Borrower(s) agrees to obtain Life Insurance Policy on the life of the student from the Insurance Company approved and suggested by the Bank without maturity returns with sum assured equal to the loan amount by remitting the one time premium for the entire loan period or obtain Life Insurance policy in the name of the student with sum assured at least equal to the loan amount. In the event of Borrower(s) option for Life Insurance policy with maturity return, the Borrower(s) hereby authorizes the Bank to debit the periodical insurance premium amount to the loan account for keeping the policy live.

### **3.4 Borrower(s) not to avail of any credit facility from any other Bank without approval**

So long as any credit facility availed by the Borrower(s) from the Bank is outstanding, the Borrower(s) shall not avail of any credit facility or accommodation from any other Bank or Financial Institution or any person, firm or company in any manner without the previous permission in writing of the Bank nor shall deal with or through any other Bank or Financial Institution without having obtained in this behalf the prior written approval of the Bank.

### **3.5 Bank entitled to resort to Revenue Recovery or other proceedings for recovery**

a. Without prejudice to the right of the Bank to proceed against the Borrower(s) under the Civil Law for recovery of the amount, the Borrower(s) agree(s) that the Bank will be entitled to resort to Revenue Recovery Proceedings, wherever applicable, and the Collection charges as fixed by the Government from time to time, shall be payable by the Borrower(s) and the Bank /Government may recover such amounts from the Borrower(s) and/or security. The Borrower(s) hereby give(s) the Borrower(s) consent for the said loan being recovered as Public demand monies in terms of any legislation relating to recoveries thereof, where such consent is necessary under such legislation.

Without prejudice to the right of the Bank to proceed against the Borrower(s) under the civil law

for recovery of the amount due, the Borrower(s) hereby give(s) consent that the Bank will be entitled to recover the dues, assign the debt and/or securities under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Borrower(s) further agree(s) that he/she/they will be liable to pay the Bank all cost, charges and expenses incurred in that connection.

#### **ARTICLE IV**

##### **POWER OF ATTORNEY**

- a. The Borrower(s) hereby assigns future income to be derived by way of employment as security to the Bank for due repayment by the Borrower(s) in respect of the subject loan.
- b. The Borrower(s) hereby irrevocably mandate his/her employer (whosoever such employer) to pay certain sum of money (to be decided by the Bank) out of his salary to the Bank for due repayment of loan instalments.
- c. The Bank shall without prejudice to the foregoing powers, be also entitled at the Borrower(s)' risk and expenses and if necessary either as attorney for and on behalf and in the name of the Borrower(s) or otherwise as the Bank may deem fit (the Borrower(s) hereby irrevocably appointing the Bank to be his/her attorney) to receive salary payable to him/her by his/her employer and to give notices and demands to his/her employer and third parties including his/her debtors liable therefore and to demand, sue for, recover, receive, realize, and give effectual receipts and discharges for the same and to transfer, assign, deliver or otherwise dispose of or deal with all or any of income and to enforce, realize, settle and compromise in any manner whatsoever including by reference to arbitration/and/or deal in any manner with all incomes and to complete any engagement relating thereto.
- d. The Borrower(s) hereby irrevocably appoint the Bank (through their agents and nominees) to be attorneys and attorney if and for and in the name of the Borrower(s) to do all such acts, deeds and things and execute all such documents, transfers, assignments. The authority so given shall be construed as an agency coupled with interest and can be revoked only at the option of the Bank.

#### **ARTICLE V**

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

###### **5.1 Disclosure of details of Borrower(s)**

- (a) The Borrower(s) agree 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 photograph of the Borrower(s) 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.
- (b) The Borrower(s) agree as a precondition of the loan/advances given to him/them by the bank, the Borrower(s) hereby agrees and give consent to the disclosure by the Bank of all or any such (a) information and data relating to the Borrower(s), (b) the information or data relating to any credit facility availed of/to be availed by the Borrower(s) and (c) default, if any, committed by the Borrower(s) in discharge of Borrower(s)' such obligation as the Bank may deem, appropriate and necessary, to disclose and furnish to Credit Information Bureau (India) Ltd (CIBIL) or any other

agency authorised in this behalf by RBI. The Borrower(s) also declares that the information and data furnished by the Borrower(s) to the bank are true and correct. The Borrower(s) undertakes that (a) the Credit Information Bureau (India) Ltd. (CIBIL) 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 (b) 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. Further, the Borrower(s) hereby confirm that the Borrower(s) shall not raise any dispute in whatsoever manner regarding information/details furnished to CIBIL/other authorities and the same is binding on the Borrower(s).

## **5.2 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.

## **5.3 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.

## **5.4 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.

## **5.5 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.

## **5.6 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.

**The South Indian Bank Ltd.**

**Borrower(s)**

**SCHEDULE – I**

<b>a.</b>	<b>Date and Place of Agreement</b>	
<b>b.</b>	<b>Details of the Borrower(s)</b>	
	1. Name of the father of Student Son of Age PAN No. Address	
	2. Name of the Mother of Student Wife of PAN No. Age Address	
	3. Name of the Student Son/ Daughter of PAN No. Age Address	
	4. If the student is a minor, father/ guardian who represents him	
	5. If the Student is a Minor, Date of Birth of the Minor	
	E-mail id	1. 2. 3.
	Phone No/s.	1. 2. 3.
<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.	

d.	<b>Particulars of Course of Study</b>			
	University	College or Institution	Name of the Course	Duration of the Course
e.	<b>Details of facility</b>			
	Date of Sanction letter (LD 1100/1100A)			
	Amount of facility (in figures)			
	Amount of facility (in words)			

### **SCHEDULE – II**

#### **a. 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							

#### **b. 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(s)**