

Loan Against Property



DEMAND PROMISSORY NOTE

ON DEMAND, I/We, _____, _____, _____
"the Borrower" promise to pay The Ratnakar Bank Limited (the Bank) or order or wherever demanded a sum of
Rs. _____/- (Rupees _____ Only) together with interest at the compounding rate of
_____ % per annum with monthly rests or such other rates which the Bank may specify from time to time. Presentment \otimes
for payment and noting and protest of the note are hereby unconditionally waived.
Rs. _____/- (Rupees _____ Only)

.....X
For Borrower

Name:
Place:
Date:

Revenue
stamp
Sign across
the stamp

SANCTION LETTER

Date: _____

(Name of customer)
(Address of customer)
(Address of customer)
(Address of customer)

Dear Sir / Madam

Sub: Loan Against Property

Thank you for applying for a Loan Against Property from The Ratnakar Bank Limited ("**Bank**").

We are pleased to inform you your loan application against security of residential/commercial property situated at _____2⊗

_____ (property address), has been approved as per terms indicated below subject to you providing us with such documents as are detailed hereinafter and executing documents including but not limited to the Agreement for Loan against Property and fulfilling the terms and conditions detailed therein:

Property Price/ Construction Cost : INR
Amount of Loan sanctioned : INR
Security : 1) Equitable Mortgage of Property
(2) _____

Tenor of Loan (Months) :
Interest Rate type : Floating
Current Interest rate p.a. : BR + _____ = _____ %
Base Rate (BR)# : _____ %
Equated Monthly Instalments : INR
Processing fees : INR
Date of first Installment :
Date of last Installment :
Late Payment Charges case : An additional penal charge of INR 250/- per instance/ month is payable in of delayed instalment on account of cheque, ECS or SI (standing instruction) dishonor. Additionally, a penalty of 2% over and above the applicable interest rate on the delayed amount for the no of days the amount is delayed.

Prepayment Charges : NIL charge upto 15% of the loan amount disbursed in a financial year. 2% pre-payment charge will be levied for prepayment over 15% in a financial year. Please note that the prepayment is permitted after a minimum of six months following loan disbursal.

Other terms as per process note

You have to submit the following:

- a) Letter of authority to us to debit your Bank account every month for the EMI amount along with 5 Undated Cheques drawn in favour of The Ratnakar Bank Limited (RBL) for INR _____ (Equivalent of 3 EMIs) each from your primary bank account and The Ratnakar Bank account and 1 Undated Cheque for the loan amount disbursed/ sanctioned from your Ratnakar Bank account.
- b) The second copy of this letter duly signed to confirm your acceptance of the same.

The loan amount should be drawn down within a period of 30 days from the date hereof. This sanction may be kept open at the sole discretion of Bank beyond 30 days from the date of acceptance by you of this Sanction Letter. Interest rates are subject to change at any point of time at the sole discretion of Bank.

#The Interest rate on your floating rate Loan Against Property is linked to Bank's Base Rate (BR) and any revision in the BR will impact your interest rate.

This Sanction Letter is an advise of the terms and conditions of the above facility. Nothing contained in this letter should be deemed to create any right or obligation whatsoever in favour or against any party, and you shall be liable to execute appropriate documents as required by the Bank for availment of the facility.

Please note that, a service tax of 12% + 3% cess thereon will be applicable on our fees and charges, which may be revised by the Government from time to time.

Please contact Mr. / Ms. ----- on -----(Telephone nos.) for any assistance.

Thanking you,
Yours faithfully

_____ X
Manager

We accept the terms and conditions

_____ X _____ X _____ X
Signature Signature Signature

LOAN AGREEMENT

This LOAN AGREEMENT (hereinafter the “**Agreement**”) made at _____, on this _____ day of _____, Two Thousand _____ by and between:

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THE RATNAKAR BANK LIMITED, a Banking company, incorporated under the laws of India and having its Registered Office at Shahupuri, Kolhapur – 416 001 and Administrative office at “MAHAVEER” 179/E, Shri Shahu Maharaj Market Yard, Kolhapur – 416 005, Maharashtra (hereinafter referred to as “**Bank**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors in interest, assigns, holding or subsidiary company and/or associates) of **One Part**;

And

The Borrower whose name and address are stated in **Schedule-I**, hereinafter called “**the Borrower**” (which expression shall unless the context otherwise requires, include his heirs, executors, administrators, successors and permitted assigns and also include the co-borrower more particularly described in the Schedule-I and hereinafter referred to as “**Co-borrower**”) of the **Other Part**.

1. DEFINITIONS AND INTERPRETATION:

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The following definitions apply throughout this Agreement unless otherwise stated:

- 1.1. The term “**Account**” means the account established by the Borrower with the Bank for setting up of the Loan account limit.
- 1.2. The term “**Additional Interest**” means (a) interest levied by the Bank on delay in payment of the EMI or any other amounts due and payable by the Borrower to the Bank and/or (b) interest levied by Bank from the date of happening of any Event of Default, as set out in Article 7 of this Agreement, till the date of the repayment of the Borrower’s Dues.
- 1.3. The term “**Borrower’s Dues**” means and includes the outstanding Principal amount of the Loan, interest on the Loan, all other interest, all fees, costs, charges, expenses, stamp duty, taxes, levies, statutory levies and all other sums whatsoever payable by the Borrower to the Bank in accordance with the Loan terms and Transaction Documents, as well as all other monies whatsoever stipulated in or payable by the Borrower/s under the Loan terms.
- 1.4. The term “**Base Rate**” means the rate as determined and published by the Bank from time to time.
- 1.5. The term “**Due Date**” means the date(s) on which any amounts in respect of the Borrower’s Dues including the Principal amounts of the Loan, interest and/or any other monies, fall due as specified in the Application Form, Sanction Letter and/ or the Loan Terms and the other Transaction Documents.
- 1.6. The term “**Effective Date**” means the date on which the first disbursement is availed by the Borrower out of the Loan.
- 1.7. The term “**Guarantor**” means the Person/entity named as such in the **Schedule – I** attached hereto.
- 1.8. The term “**Interest**” shall mean the rate of interest chargeable on the Loan at the rate specifically mentioned in **Schedule-I** attached hereto.
- 1.9. The term “**Loan Value Ratio (LVR)**” means the ratio of the aggregate of the Borrower’s Dues under the Loan, to the current market value of the Property/ies as determined by the Lender in its absolute discretion.
- 1.10. The term “**Person**” shall include individual, partnership firm, company, association of persons, proprietary concern and co-operative society as mentioned & stipulated as per the relevant provisions of the Income Tax Act, 1961.
- 1.11. The term “**Prepayment**” means premature repayment of the Loan as per the terms and conditions laid down by the Bank in that behalf and as in force at the time of prepayment.
- 1.12. The term “**Purpose**” means the purpose for which the Loan is availed by the Borrower more specifically mentioned in the **Schedule** attached hereto.

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- 1.13. The term **“Repayment”** means the repayment of the principal amount of the Loan, interest thereon, commitment and other charges, premium, fees or other dues payable under this Agreement to the Bank.
- 1.14. The term **“Sanction Letter”** means the letter issued by the Bank sanctioning the Loan with the relevant particulars as mentioned in the letter.
- 1.15. The term **“Standing Instructions”** hereinafter referred to as **“(SI)”** means written instructions given by the Borrower(s) to the Bank to debit the Account of the Borrower(s) maintained in a Account acceptable/ approved by Bank for the amount of the Installment (EMI), more particularly set out in **Schedule-I** attached hereto.
- 1.16. The term **“Tenor”** means each period determined under this Agreement by reference to which interest on Loan or an overdue amount is calculated and as has been mentioned in Schedule- I hereunder.
- 1.17. The term **“Transaction Documents”** includes all writings and other documents executed or entered into or to be executed or entered into, by the Borrowers or, as the case may be, any other person, in relation to, or pertaining to the Loan and each such transaction document as amended from time to time.
- 1.18. Any expression not defined in this Agreement but defined in the General Clauses Act, 1897 shall have the meaning thereof.
- 1.19. Reference to the masculine gender includes feminine gender and reference to singular includes plural and vice versa.
- 1.20. The “Borrower”, “Bank” and “Co-Borrower” will hereinafter be collectively referred to as “Parties”.

2. LOAN AMOUNT, DISBURSEMENT, INTEREST, TAXES AND AMORTIZATION:

2.1. LOAN:

- a) The Bank hereby agrees to make available to the Borrower and the Borrower hereby agrees to avail from the Bank, the loan mentioned in **Schedule-I**, attached hereto (hereinafter referred to as the **“Loan”**) in the manner and on the terms and conditions mentioned in this Agreement for the Purpose as described by the Borrower in the Loan Application.
- b) Once the Sanction Letter is issued and accepted by the Borrower, the Borrower shall not be entitled to cancel the Loan or to refuse to accept disbursement of the Loan, except with the approval of the Bank and payment to the Bank of such cancellation or foreclosure charges as may be stipulated by the Bank.

2.2. INTEREST:

- a) The rate of interest means the rate at which the Bank shall compute and apply interest on the Loan amount outstanding on the last day of the preceding month (**“Interest”**), as stated in the Schedule-I to this Agreement or as may be amended by the Bank from time to time. The first installment of interest shall be for the period from the date of first disbursement till the last day of the said month and thereafter interest shall be payable for the period as intimated by the Bank from time to time or as included in the Sanction Letter or Schedule hereunder. Interest on the Loan shall begin to accrue from the date of first disbursal of the Loan without the Bank concerning itself with the receipt of such disbursement by the beneficiary/recipient and also with the realization of the pay order/ demand draft or the time taken for such realization.
- b) The Bank shall be entitled to revise the rate of Interest at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the Tenor of the Loan at its sole discretion. The change in the rate of interest will be displayed on the notice board of the bank or published in local Newspaper. Such displacement or publication by the Bank of change in rate of interest to the Borrower constitute sufficient notice and shall be binding on the Borrower and Guarantor/s (if any).
- c) The Borrower shall reimburse or pay to the Bank such amount as may have been paid or payable by the Bank to the Central or State Government on account of any tax levied on Interest (and/or other charges) on the Loan by the Central or State Government. The Borrower shall make the reimbursement or payment as and when called upon to do so by the Bank.

- d) The Borrower shall also bear all the tax, toll, duties levies, cess or any other tax as may be imposed by the central government, state government, judicial, quasi judicial or any municipal authorities, which may be chargeable on the property ("Property") described in Schedule-I and if required shall also be liable to reimburse all such taxes, tolls, duties, levies, cess, etc. to the Bank.
- e) Without prejudice to the Bank's rights, Interest as aforesaid and the other amounts payable by the Borrower shall be charged / debited to the Borrower's Loan account on the respective Due Date thereof and shall be deemed to form part of the outstanding Loan. Such Interest and other amounts shall, accordingly attract Interest at the same rate as applicable to the Loan in terms of this Agreement until payment thereof.
- f) Notwithstanding anything to the contrary, if the Borrower makes any excess payment in a particular month, the same will not be reduced from the total Interest committed/payable by the Borrower. Excess payments will be adjusted in the principal amount due as per the Bank discretion.

2.3. **COMPUTATION OF INTEREST:**

The EMI comprises of principal and interest calculated on the basis of rate of Interest mentioned in Schedule-I attached hereto and is rounded off to the next rupee charged daily calculated on monthly rests and any other charges shall be computed on the basis of a year of three hundred and sixty Five (365) days. However, in the event of the Borrower intends to foreclose the Loan the Interest would be calculated upto the date of actual foreclosure.

2.4. **PAYMENT OF OTHER CHARGES AND EXPENSES:**

The Borrower shall pay all charges as set out in the Schedule-I hereunder and further undertakes to pay forthwith on demand to the Bank all costs and expenses (including legal costs between legal counsel and Bank) on a full indemnity basis incurred and or to be incurred by the Bank for investigation of title to any Property offered as security and for the preparation, execution, preservation, performance, enforcement and realization of the outstanding Loan amount, security documents and other instruments creating and/or evidencing the creation of any security for the Loan as also any other instruments required in connection with the Loan.

2.5. **DETAILS OF DISBURSEMENT:**

- a) The Bank shall disburse the Loan in one lump sum or in suitable installments/Tranches having regard to the needs of the Borrower. The decision of the Bank in this regard shall be final, conclusive and binding on the Borrower. The Borrower shall acknowledge the receipt, in the form required by the Bank, of each amount so disbursed.
- b) The right of the Borrower to make withdrawals under this Agreement shall cease on the expiry of the validity period specified in this Agreement, if any monies are remaining due and payable by the Borrower to the Bank, whether under this Agreement, or any other transactions/security documents or otherwise, the Bank may, in its sole discretion, reduce the availability of the amounts of the Loan and/or adjust such monies against the Loan and all such adjustments shall be treated as disbursements to/repayment by the Borrower.

2.6. **MODE OF DISBURSEMENT:**

- a) Disbursement of the Loan may be made directly to the Borrower or to the builder/ developer/banks/institutions and/or in such other manner as may be mutually decided by the Parties. However, in case of any dispute, the decision of the Bank shall be final and binding on the Borrower.
- b) Disbursement shall be deemed to have been made to the Borrower on the date of the disbursement by way of cheque, pay order or transfer to his operating account as the case may be or on the date of setting up of the Loan account limit.
- c) Interest on the Loan will begin to accrue in favour of the Bank as and from the date of disbursement of the Loan.

2.7. **AMORTIZATION:**

- a) The Borrower will amortize the Loan as stipulated in the Schedule-I attached hereto, subject to any other changes in such amortization as communicated later in writing by the Bank to the Borrower. However, in the event of delay or advancement, for any reason whatsoever, in the disbursement of the Loan, the Due Date of payment of first EMI shall in such case be the corresponding day of the following months to the day currently stated in the Schedule-I attached hereto.

- b) The date of commencement of EMI shall be as intimated by the Bank from time to time or as included in the Sanction Letter or Schedule-I. The due date of payment of first EMI shall be the corresponding day of the following month to the due date specified in Schedule attached hereto.
- c) Notwithstanding anything contained hereinabove the Bank shall have the right at any time and from time to time to review and/or reschedule the repayment terms of the Loan or of the outstanding amount thereof in such manner as the Bank may at its sole discretion decide. In such an event the Borrower shall follow the repayment schedule as revised by the Bank for the amount outstanding at such time. The Bank may vary its Base Rate from time to time in such a manner including as to the Tenor of the Loan as the Bank may deem fit in its discretion.
- d) The Borrower agrees that the repayment of the amount of the Loan together with interest, additional interest and all such other sums due and payable by the Borrower to the Bank shall be payable at the place where the branch of the Bank is situated or such other notified by the Bank to the Borrower by way of PDC and/or SI and/or ECS, details whereof are mentioned in the Schedule-I attached hereto. The Borrower agrees that the amount shall be remitted to the Bank on the Due Date of EMI. In the event of any dishonour of PDC/SI/ECS instruction the Borrower agrees to pay a dishonour charge as mentioned in the Schedule-I attached hereto, in addition to any additional interest that may be levied by the Bank.

In the event of any variation in:

- i. the date of payment of EMIs or
- ii. the amount of interest, principal or EMIs or
- iii. the numbers thereof,

The Borrower agrees and undertakes to forthwith issue fresh PDCs/ ECS/SI instructions to the Bank as may be required by the Bank.

- e) In case if any amount is prepaid by the Borrower, the same shall be adjusted first towards the incidental charges, additional interest, EMI outstanding and balance towards the principal amount of the Loan.
- f) The Bank shall have the right to require the Borrower to furnish such information/documents concerning his employment, trade, business or profession at any time and the Borrower shall furnish such information/documents immediately.

2.8. **DELAY/DEFAULT IN PAYMENT:**

a) The Borrower shall pay in full the, EMI and all other amounts without any demur, protest or default and without claiming any set-off or counterclaim on the respective Due Dates. No notice, reminder or intimation shall be given to the Borrower regarding his obligation and responsibility to ensure prompt and regular payment of Interest, EMI and all other amounts payable by the Borrower to the Bank on the respective Due Dates. 6 ⊗

b) In default of regular payment of interest on the due dates additional interest at the rate of ___% p.a. shall become payable on monies due. PROVIDED that the Bank shall at any time or from time to time be entitled to change the rate of interest and notify such changes to the Borrower and this Agreement shall be construed as if such revised rate of interest be always mentioned herein and agreed to be paid by the Borrower and hereby secured.

c) On the happening of any Events of Default as set out in Article 7 of this Agreement such defaulted amount shall carry Additional Interest at the rate of interest as mentioned in the **Schedule-I** hereto, computed from the respective due dates and shall be additional on daily/monthly basis.

d) Without prejudice to the Bank's other rights, the delay in payment of EMI by the Borrower, shall render the Borrower liable to pay Additional Interest at the rate mentioned in the **Schedule-I** attached hereto or at such higher rate as per the rules of the Bank in that behalf as in force from time to time and communicated to the Borrower by the Bank in writing. Such additional interest shall be charged / debited to the Borrower's Loan account on the respective Due Dates and shall be deemed to form part of the outstanding Loan. Such interest and other amounts shall accordingly attract Interest at the same rate as applicable to the Loan and as stated in **Schedule-I** attached hereto. In such event, the Borrower shall also be liable to pay incidental charges and costs to the Bank.

2.9. **PRE-PAYMENT OF THE LOAN:**

a) The Bank may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit

pre-payment / acceleration of EMIs or pre-payment at the request of the Borrower subject that the Bank may specify, from time to time, the minimum amount of prepayment/amounts payable on account of acceleration of EMIs. If permitted by the Bank, the Borrower shall give prior written notice of his intention to pre-pay the full amount of Loan and pay to the Bank such pre-payment charges mentioned in the Schedule-I attached hereto, subject to change by the Bank from time to time.

- b) The Borrower agrees that no pre-payment shall be made during the first 6 months from the Effective Date or till the Loan is fully disbursed, whichever is later. Any pre-payment of any part of the Loan has to be made in accordance with Schedule I and subject to applicable prepayment charges which shall be levied on the Borrower by the Bank.
- c) In the event the Bank permits any pre-payment, the Repayment schedule may be altered by the Bank at the request of the Borrower and the Borrower agrees to adhere to the altered re-payment Schedule.

2.10. **PROCESSING FEES:**

The Borrower acknowledges that processing fee has been paid by the Borrower upfront as an application fee or such fees as stipulated in the Schedule I. The Borrower acknowledges that the processing fees is non refundable even in case the Borrower does not avail the Loan.

2.11. **TERMINAL DATE FOR DISBURSEMENT:**

The Bank may by notice to the Borrower suspend or cancel further disbursements of the Loan, if the Loan shall not have been fully drawn within _____ months from first date of disbursement of the Loan or such other period, 8 ⊗ as may be agreed to by the Bank.

3. **CONDITIONS PRECEDENT:**

3.1. The following shall be conditions precedent for disbursal of the Loan or any tranche thereof:

- a) The Borrower meets the Bank's requirement of creditworthiness. The Bank shall be entitled to make or cause to be made inquiries of such nature as the Bank may deem fit of the creditworthiness of the Borrower. The Bank shall be further entitled to call for such credentials from the Borrower as may be required to prove the creditworthiness of the Borrower.
- b) The Borrower shall, prior to receiving the disbursal of the Loan, have utilised his own contribution, i.e. the cost of purchase of the Property or plot of land less loan availed / to be availed from the Bank unless specified by the Bank. The proof of such contribution is to be submitted in original to the lender.
- c) The Borrower shall have an absolute, clear and marketable title to the Property and that the Property is absolutely unencumbered and free from any liability and prior charges whatsoever.
- d) No Event of Default shall have occurred.
- e) Any disbursement of the Loan and/or tranche thereof shall, at the time of request, be required immediately by the Borrower for the sole and exclusive Purpose of the Borrower as stated in the Loan Application, and the Borrower shall produce such evidence of the proposed utilization of the proceeds of the disbursement of the Loan or any tranche thereof as is satisfactory to the Bank as and when required by the Bank.
- f) No extraordinary or other circumstances shall have occurred which shall make it improbable for the Borrower to fulfill his/its obligations under this Agreement.
- g) The Borrower shall have executed and delivered a money bond or a demand promissory note in favour of Bank for the amount of the Loan.
- h) The Borrower shall have satisfied the Bank to the effect that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower, or is threatened by or against the Borrower, before any Court of Law or Government authority or any other competent authority which might have a material effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement and/or other security documents executed by the Borrower in favour of the Bank.
- i) The Borrower shall provide to the Bank the valuation report of the Property from the valuer approved by the Bank.

- j) Before any drawal of the Loan is made by the Borrower and as condition precedent to the drawal of the Loan, the Borrower shall conduct the title search of the Property at its own cost and shall submit to the Bank the title search report of the Property to the satisfaction of the Bank.
- k) The Borrower shall comply with the directions of the Bank in respect of any other requirements connected with the Loan or in connection with the Property and which the Bank may at its own discretion deem necessary and direct the Borrower to comply with.

4. **SECURITY:**

4.1. The Borrower agrees to create security interest on the Property in such form and manner as may be required by the Bank to secure the principal amount of the Loan together with Interest, additional Interest, costs, charges, expenses etc. due and payable by the Borrower to the Bank.

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4.2. The Loan shall be secured by the guarantee executed by the Guarantor being the person/entity mentioned in the Schedule-I hereto (hereinafter the "Guarantor") vide deed of guarantee dated _____

4.3. **ADDITIONAL SECURITY:**

a) In the event the Bank stipulates the creation of additional security over the receivables accruing out of the Property, the Borrower shall execute such deed of hypothecation or other documents as may be required by the Bank to the satisfaction of the Bank.

b) In the event of the security furnished by the Borrower is found to be insufficient / incorrect in value the Borrower shall be directed to furnish additional security as may be required by the Bank. Notwithstanding the above, in the event the security furnished by the Borrower is subsequently found to be of inferior value to that as declared by the Borrower in the Loan Application, the Loan may be recalled / repayment of the Loan may be accelerated by the Bank with immediate effect.

4.4. **CONTINUING SECURITY:**

a) All security furnished by the Borrower to the Bank in connection with the Loan shall remain a continuing security to the Bank and the same shall be binding upon the Borrower.

b) The Borrower agrees that the security shall not be discharged/released by intermediate payment by the Borrower or any settlement of accounts by the Borrower till such time all the dues in respect of the Loan are fully paid to the satisfaction of the Bank and the Bank consents to give a discharge/release in respect of the security in writing to the Borrower.

c) The security shall be in addition to and not in derogation of any other security, which the Bank may at any time hold in respect of the Borrower's dues and shall be available to the Bank until all accounts between the Bank and the Borrower in respect of the Loan are ultimately settled.

5. **COVENANTS:**

5.1. **PARTICULAR AFFIRMATIVE COVENANTS:**

The Borrower covenants with the Bank that during the Tenor of the Loan:

a) Utilization of Loan: The Borrower shall ensure that the entire Loan will be utilized for the Purpose as stated by the Borrower in the Loan Application form and for no other purpose whatsoever.

b) The Borrower shall maintain the Property purchased/completed in good order and condition and all necessary repairs, additions and improvements thereto will be made during the currency of the Loan and that the Borrower will ensure that the value of the Property does not diminish.

c) The Borrower shall notify the Bank of any change in the Borrower's employment, business or profession. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Bank informed about the financials of his business on a regular basis as may be notified to him by the Bank.

d) The Borrower shall notify the Bank of any change in its residential status within 15 (fifteen) days of such change.

e) The Borrower shall duly and punctually comply with all the terms and conditions of holding the Property and all the rules, regulations, bye-laws, etc., of the concerned Co-operative Society, Association, Company or any other

Competent Authority, and pay such maintenance and other charges for the upkeep of the Property as also any other dues, etc., as may be payable in respect of the Property and/or of the use thereof.

- f) The Borrower shall ensure that the Property is insured against fire, earthquake, flood, storm, tempest or typhoon and other hazards, as may be required by the Bank, with the Bank being made the sole beneficiary under the policy/ies, for a value as required by the Bank and produce evidence thereof to the Bank from time to time and wherever called upon to do so.
- g) While any moneys are due or outstanding under this Agreement, the Borrower shall ensure that the insurance policy/ies wherein the Bank is the sole beneficiary are valid, subsisting and operative by complying with the terms of issue of such insurance policy/ies including the timely payment of the premium for such policy/ies and agree to produce the necessary proof/receipts of such validity/subsistence/operativeness to the Bank whenever required.
- h) The Borrower shall promptly inform the Bank of any loss or damage to Property due to any act of God or damage or other risks against which the Property may not have been insured.
- i) The Borrower shall pay all municipal taxes, ground rent and such other municipal and local charges in accordance with the municipal laws and regulations.
- j) The Borrower shall allow any person authorized by the Bank to have free access to the Property for the purpose of inspection.
- k) The Borrower shall promptly give written notice to the Bank of (i) any dispute which might arise between the Borrower and any person or any governmental body or authority relating to or concerning the Property (ii) any distress or execution being levied against the Property (iii) any material circumstances affecting the ability of the Borrower to repay the Loan in the manner stipulated hereunder.
- l) The Borrower shall on the Bank's request do, perform and execute such acts, deeds, matters and things as the Bank may consider necessary either to perfect the security provided for or to carry out the intent of this Agreement.
- m) The Borrower shall confirm that the true copies of the document submitted for the purpose of the Loan are genuine. The Bank may at any time, call for or require verification of originals of any/all such copies. Any such copy in possession of the Bank shall be deemed to have been given only by the Borrower.
- n) The Borrower confirms that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower, threatened, by or against the Borrower before any court of Law or Government authority or any other competent authority which might have a material adverse effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement or any of its terms and conditions.
- o) The Borrower agrees, confirms and acknowledges that the Borrower has exercised due care and caution (including, where necessary, obtaining of advise of tax /legal /accounting/ financial/ other professionals) prior to taking of the decision, acting or omitting to act, in respect of financing and/or the Property and further agrees , confirms and acknowledges that the Bank is not responsible for any delay in construction/giving of possession /completion/ renovation of the Property including where the Bank may have approached /sanctioned or otherwise provided by the Borrower any information in respect of the builder/developer/seller of the Property.
- p) The Borrower agrees, confirms and acknowledges that the documents pertaining to acquisition of Property as entered into by the Borrower or executed for and on behalf of the Borrower which is the subject matter of the Loan are valid and subsisting during the Tenor of the Loan, subject to the terms of this Agreement, and the legal and beneficial ownership of the Property shall continue being in the name of the Borrower during the Tenor of the Loan subject to the terms of this Agreement.
- q) The Borrower confirms that the Borrower has a clear and marketable title to the Property offered or to be offered as security, and the same is free from all reasonable doubts and encumbrances.
- r) The Borrower shall bear all costs of making good any deficit in stamp duty on the documents executed by the Borrower in relation to the Loan and/or security created by the Borrower in favour of the Bank.

- s) The Borrower agrees that any security provided by the Borrower to the Bank under any other credit facility shall be available to the Bank under this Loan Agreement upon the occurrence of an event of default under this Loan Agreement and vice versa.
- t) The Borrower agrees to furnish such number of PDCs to the Bank as may be required by the Bank.
- u) The Borrower shall at all times during the continuance of the Loan, maintain the loan to value ratio (hereinafter referred to as "LVR") as indicated in the Sanction Letter or as may be communicated by the Bank from time to time.
- v) In case LVR falls below the value as indicated in the Sanction Letter or as communicated to the Borrower, the Bank may require the Borrower to restore the LVR and the Borrower shall make up the difference either by payment in cash to the Bank or by causing the delivery to the Bank of additional Security, acceptable to the Bank, of the value necessary to make up the amount of shortfall within 30 days
- w) The valuation of the Property/ies done by the Bank shall be conclusive proof of the value of such Property/ies and shall be binding on the Borrower. The Borrower agrees to accept such valuation done by the Bank without any demur or protest.
- x) If the Borrower fails to restore the LVR with additional security in the manner as aforesaid, the Bank shall be entitled to sell or redeem the Property/ies which are forming part of security to the Loan.
- y) The sale/redemption proceeds shall be applied in reduction of the indebtedness of the Borrower to the Bank, in such order as the Bank deems fit.
- z) In addition, the Bank shall be entitled, but not obligated to, and the Borrower does hereby authorize the Bank to take on behalf of the Borrower all actions deemed necessary to mitigate any loss or preserve the Property/ies or the security.
- aa) The Borrower agrees, accepts and acknowledges that the Bank's standard internal LVR criteria, and requirements, are at all times determined by the Bank in its discretion based on the Bank's internal policies prevailing from time to time.

5.2. **NEGATIVE COVENANTS:**

The Borrower further covenants with the Bank that unless, the Bank otherwise previously approve in writing, the Borrower shall not:

- a) Use the Loan for any speculative purpose or a purpose other than that stated with Loan Application.
- b) Let out or give on leave or licence or otherwise howsoever part with the possession of the Property or any part thereof.
- c) Sell, mortgage, lease, surrender or otherwise howsoever alienate, encumber or create any third party interest in the Property or any part thereof.
- d) Make and/or allow to be made any material alterations and/or additions in the Property.
- e) Enter into any Agreement or arrangement with any person, institution or local or Government body for the use, occupation or disposal of the Property or any part thereof.
- f) Change use of the Property provided that if the Property is used for any purpose other than residential/commercial purpose stated therein, in addition to any other action which the Bank might take, the Bank shall be entitled to charge, in its sole discretion, such higher rate of interest as it might fix in the circumstances of the case.
- g) Amalgamate or merge the Property or any of his other property with any other adjacent property nor shall the Borrower create any right of way or any other easement on the Property.
- h) Execute any document, such as Power of Attorney, or any other similar or other deed, in favour of any person to deal with the Property in any manner.

- i) Effect any oral or other partition of the Property or enter into any family arrangement or use it for the purpose of business.
- j) Borrow from any source or charge any property until the Borrower's dues are paid in full.
- k) Leave India for employment or business or for long term stay abroad without fully repaying the Loan amount together with interest and other dues and charges including prepayment charges as contained in the Schedule-I herein. If the Borrower becomes a Non Resident Indian, the Borrower agrees to repay the Loan in accordance with the rules, regulations, guidelines and norms of the Reserve Bank of India.
- l) Enter into any agreement for cancellation of/cancel the Sale deed/Agreement to Sell entered into by the Borrower for the purchase of the Property.
- m) The Borrower further covenants with the Bank that the Borrower shall not use the Loan for any anti-social purpose.

6. **REPRESENTATION AND WARRANTIES:**

The Borrower warrants and undertakes to the Bank as under:

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- a) The Borrower assures the Bank that the Borrower has absolute clear and marketable title to the Property and that the Property is absolutely unencumbered and free from any liability whatsoever.
- b) The Borrower shall continue to remain in occupation/ possession of the Property and shall not part with the possession thereof either partly or wholly until the entire Loan with interest has been repaid to the Bank.
- c) The information given in the Loan Application form and end use of funds letter and any prior or subsequent information provided or explanation furnished to the Bank in this behalf are true, complete and accurate in every respect.
- d) The Purpose for which the Loan is taken is not illegal, speculative or nefarious.
- e) The Borrower assures that subsequent to the application there has been no material change, which would affect the acquisition of the Property/ construction of a dwelling unit on the land comprising the Property or the grant/ provision of Loan by the Bank to the Borrower.
- f) The Borrower is not aware of any document, judgement or legal process or other charges or of any latent or patent defect affecting the title of the Property or of any material defect in the Property which has remained undisclosed and/or which may affect the Bank prejudicially.
- g) The Property is not included in or affected by any of the schemes of Central/State Government or of the improvement trust or any other public body or local authority or by any alignment, widening or construction of road under any scheme of the Central/ State Government or of any Corporation, Municipal Committee, Gram Panchayat etc.
- h) The Borrower has paid and will pay when due, all public demands such as Income Tax, Property Taxes and all the other taxes and revenues payable to the government of India or to the Government of any State or to any local authority and that at present there are no arrears of such taxes and revenues due and outstanding.
- i) The Borrower has disclosed/ furnished all facts/information to the Bank in respect of the Loan and all information in the Loan Application or in any supporting documents or otherwise howsoever is absolutely true, correct and complete in all respects and that no fact or information necessary to be furnished by the Borrower has been omitted to stated in order to induce the Bank to provide the Loan.
- j) That the contract for sale with the vendor is valid and subsisting.
- k) The Borrower does not violate any covenant, conditions or stipulations under any existing Agreements entered into by the Borrower with any party, by availing the Loan from the Bank.
- l) The Borrower assures that all the necessary approvals for availing the Loan and creating the security/securities have been obtained or shall be obtained.

- m) The Borrower is entitled and empowered to borrow the Loan, provide the security documents, execute the promissory notes if any and all other documents and papers in connection with and upon execution of the same will create legal and binding obligations on the Borrower and shall be enforceable in accordance with their respective terms.
- n) The Borrower shall keep himself acquainted with the rules prescribed by the Bank in force from time to time.
- o) The Borrower assures that no suit is pending in the Municipality, Magistrate's Court or any Court of Law in respect of the Property nor has the Borrower been served with any notice for infringing the provisions of the Municipal Act or any other Act relating to local bodies or Gram Panchayats or Local authorities or with any other process under any of these Acts.
- p) The photocopy/true copies of various documents (including proof of employment / self-employment, ration card, passport etc.) submitted by the Borrower to the Bank are genuine; any such copy in Bank's possession shall be treated to have been given only by the Borrower.
- q) To the extent applicable, the availing of the Loan and exercise of rights and performance of obligations under this Agreement or any other security/transactions documents shall constitute, private and commercial acts done and performed for private and commercial purposes.
- r) The Borrower is not/shall not be entitled to and shall not claim immunity for itself or the Property/ies from suit, execution, attachment or other legal process in any proceedings in relation to this Agreement and other security/transaction documents.
- s) The Borrower confirms that the representations and warranties contained herein shall be deemed to be repeated by the Borrower on and as of each day from the date of this Agreement until all sums due or owing hereunder by the Borrower to the Bank have been paid in full, as if made with reference to the facts and circumstances existing on such day.

7. **EVENTS OF DEFAULT:**

The following events, as set out below, shall be considered as **"Events of Default"**: -

- a) If any default shall have occurred in payment of Interest and/or EMIs or any part thereof and/or in payment of any other amounts due and payable to the Bank in terms of this Agreement and/or in terms of any other agreement(s) / document(s) which may be subsisting or which may be executed between the Borrower and the Bank hereafter;
- b) If default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Borrower under this Agreement or any other agreement(s) between the Borrower and the Bank in respect of the Loan or any other loan;
- c) If any information given by the Borrower to the Bank in the Loan Application form or otherwise is found to be misleading or incorrect in any material respect or any representation or warranty referred to in Section 6 is found to be incorrect;
- d) If any Property on which the security for the Loan is created depreciates in value to such an extent that in the opinion of the Bank further security should be given and such security is not given on written demand;
- e) If the Property or any part thereof is let out, given on leave and license, sold, disposed off, charged, encumbered or otherwise alienated in any manner whatsoever without written approval of the Bank;
- f) If Borrower or an affiliate/ related person/ entity has defaulted on any other Loan extended to the Borrower by the Bank in any form whether as a borrower, co-borrower or guarantor.
- g) If an attachment or distraint is levied on the Property or any part thereof and/or proceedings are taken or commenced for recovery of any dues from the Borrower against the Property;
- h) If the Borrower fails to furnish any information or documents required by the Bank;

- i) If the Borrower fails to inform the Bank of the occurrence of any Event of Default or any event which after the notice or lapse of time, or both, would become an Event of Default;
- j) If a cheque in respect of any monthly payment is not paid on the date thereof or where any such Cheque is renewed before the date of its payment; or if a cheque in respect of any payment including but not limited to EMI is dishonored.
- k) If the Borrower fails to deliver undated cheques in accordance with the terms of the Loan or as and when demanded by the Bank;
- l) If any security for the Loan becomes in fructuous or is challenged by the Borrower or any other person;
- m) Where any payment made by the Borrower to the Bank falls short of payment required to be made by the Borrower with respect to the amount due from the Borrower to the Bank.
- n) If the Borrower/s dies.
- o) If the Borrower fails to furnish to the Bank detailed end use statement of the Loan as and when so required by the Bank within 10 (ten) days of receiving such request from the Bank;
- p) If the Borrower commits an act of insolvency or makes an application for declaring himself an insolvent or an order is passed against the Borrower declaring him an insolvent.
- q) Breach of any representation, warranty, declaration or confirmation under this Agreement and/or any other security/transaction documents.
- r) If any permission, authorization, issued by the competent authority(ies) with respect to construction and/or legality of the Property is withdrawn or cancelled or withheld for any reason whatsoever.

8. CROSS DEFAULT:

The Borrower agrees and acknowledges that any default by the Borrower under any credit facility agreement or arrangement entered into by the Borrower with the Bank, any it's subsidiaries, any other bank and /or financial institution / non banking financial company and/or other creditors, shall constitute an event of default under this Agreement and vice-versa.

9. REMEDIES OF THE BANK:

If one or more of the Events of Defaults shall have occurred, then, the Bank, by a written notice to the Borrower may declare the principal and all accrued interest and charges on the Loan which may be payable by the Borrower under or in terms of this Agreement and/or any other agreements, documents subsisting between the Borrower and the Bank, as well as all other charges and dues to be due and upon such declaration the same shall become due and payable forthwith and the security in relation to the Loan and any other loans shall become enforceable, notwithstanding anything to the contrary in this Agreement or any other agreement/s or documents.

10. WAIVER:

No delay in exercising or omission to exercise, any right, power or remedy accruing to the Bank upon any default under this Agreement, mortgage deed or any other agreement or document, shall impair any right, power or remedy or shall be construed as a waiver thereof or any acquiescence in such default affect or impair any right, power or remedy of the Bank in respect of any other default.

11. EFFECTIVE DATE OF TERMS AND CONDITIONS:

This Agreement shall become binding on the Borrower and the Bank on and from the date of execution hereof. It shall be in full force till the Loan is fully Amortized/repaid and any other moneys due and payable to the Bank under this Agreement as well as all other agreements, documents which may be subsisting/ executed between the Borrower and the Bank is fully paid.

12. INSPECTION, ASSIGNMENT:

- a) The Borrower shall permit inspection of all books of accounts and other records maintained by in respect of the Loan by officers of the Bank. The Borrower shall also permit similar inspection by officers of such other companies, banks, institutions or bodies as Bank may approve and intimate to the Borrower.

- b) The Bank shall have the right to create charge over the Property in favour of any bank, institution or body by way of security for any refinance facility or any loan availed of by Bank from such bank, institution or body. The Bank shall also have the right to transfer or assign the mortgage over the Property in favour of any bank, institution or body in connection with any sale or transfer of the Loan by Bank to them.
- c) The Bank shall have the authority to make available any information contained in the Loan Application and/or any document or paper or statement submitted to the Bank by or on behalf of the Borrower and/or pertaining or relating to the Borrower and/or the Loan including as to its repayment, conduct, to any rating or other agency or institution or body as Bank in its sole discretion may deem fit. The Bank shall also have the authority to seek and/or receive any information as it may deem fit in connection with the Loan and/or the Borrower from any source or person or entity to whom the Borrower hereby authorizes to furnish such information.

13. DISCLOSURE:

- 13.1. The Borrower hereby agrees as a pre-condition of the Loan given to the Borrower by the Bank that, in case the Borrower commits default in the repayment of the Loan or in the repayment of interest thereon or any of the agreed installment 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 Borrower's name as defaulter in such manner and through such medium as the Bank or Reserve Bank of India in their absolute discretion may think fit. Accordingly, the Bank shall have the right to furnish and publish the name of the Borrower as defaulter to the Reserve Bank of India or other regulatory authority. Notwithstanding the above the Borrower understands that as a pre-condition relating to grant of the Loan to the Borrower the Bank requires the Borrower's consent for the disclosure by the Bank of information and data relating to the Borrower, of the credit facility availed of/ to be availed by the Borrower, obligations assured/ to be assured by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof. Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Bank of all or any such
- (a) information and data relating to the Borrower;
 - (b) the information or data relating to any credit facility availed of/to be availed by the Borrower; and
 - (c) default, if any, committed by the Borrower in discharge of such obligation as the Bank may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Limited and any other agency authorized in this behalf by Reserve Bank of India.
- 13.2. The Borrower further declares that the information and data furnished by the Borrower to the Bank are true and correct.
- 13.3. The Borrower also understands and agrees that:
- (a) the Credit Information Bureau (India) Limited and any other agency so authorized 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) Limited and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf.
- 13.4. The Bank may disclose to a potential assignee or to any person who may otherwise enter into contractual relations with the Bank in relation to this Agreement such information about the Borrower, as the Bank may deem appropriate.
- 13.5. The Borrower confirms that the Bank may for the purposes of credit reference checks, verification, etc., disclose any information/documents relating to the Borrower under this Agreement to any third party.
- 13.6. The Borrower further authorizes the Bank to disclose such information/documents to Reserve Bank of India, Income Tax Authorities, Credit Bureau, third parties, Credit Rating Agencies, Databanks, corporates, other banks, financial institutions or any other Government or Regulatory Authorities, statutory authorities, quasi judicial authorities.

14. ASSIGNMENT / SECURITIZATION:

- a) The Borrower expressly recognises and accepts that the Bank shall be absolutely entitled and have full power and authority to sell, assign or transfer in any manner, in whole or in part, and in such manner and on such terms as the Bank may decide, (including reserving a right to the Bank to retain its power hereunder to proceed against the Borrower on behalf of the purchaser, assignee or transferee) any or all outstanding and dues of the Borrower,

including the security (created/to be created), to any third party including but not limited to banks/financial institution/non-banking financial institutions, of the Bank's choice without any further reference or intimation to the Borrower. Any such action, sale, assignment or transfer shall bind the Borrower to accept such third party as creditor exclusively or as a joint creditor with the Bank as the case may be.

Any cost in this behalf, whether on account of such sale, assignment or transfer or enforcement of rights and recovery of outstanding and dues, shall be to the account of the Borrower. The Borrower shall not assign this Agreement or any of the rights, duties or obligations of the Borrower hereunder, except with consent of the Bank.

- b) The Borrower hereby expressly agrees that nothing herein contained shall operate to prejudice the rights and remedies of the Bank in respect of any other obligations of the Borrower to the Bank or prejudice or effect any general or particular lien to which the Bank is by law or otherwise entitled to or operate to prejudice the Bank's rights or remedies in respect of any present or future security, guarantee or obligation given to the Bank by any other person for any indebtedness or liability of the Borrower.
- c) The Borrower agrees that this Agreement and the security created/ to be created shall operate as a continuing security for all the obligations / facilities of the Borrower in respect of the Loan, notwithstanding the existence of a credit balance in the said account or any partial payments or fluctuation of accounts.

15. INDEMNIFICATION:

The Borrower undertakes to indemnify and keep Bank and its officers/employees fully indemnified and harmless from and against all the consequences of breach of any of the terms, condition, statements, undertakings representations and warranties of this Agreement as also of any of its representations or warranties not being found to be true at any point of time, including any actions, suits, claims, proceedings, damages, liabilities, losses, expenses or costs (hereinafter referred to as "**Claims**") faced, suffered or incurred by the Bank. Borrower hereby accepts and acknowledges to have clearly agreed and understood that this indemnity would cover all acts and omissions on the part of the warranties and/or representations of the Borrower. Similarly, in the event of any claims being made on Bank, on account of any breach of warranty, representations, non-compliance of any applicable law, unauthorized act, fraud, deed or thing done or omitted to be done or undertaking made by Borrower or its employees, agents, being false, the Borrower undertakes to pay on first demand made by Bank of any amount on this account without any demur, reservation, contest, protest whatsoever within ____ working days of the demand being.

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16. APPROPRIATION OF PAYMENTS:

Unless otherwise agreed to by the Bank, any payment due and payable under this Agreement and made by the Borrower will be appropriated towards such dues in the order, namely:

- (a) Costs, charges, expenses, incidental charges and other moneys that may have been expended by Bank in connection with the recovery;
- (b) Additional Interest
- (c) Prepayment Charge and fees;
- (d) EMI;
- (e) Principal amount of the Loan.
- (f) Administrative Charges
- (g) Margin

17. SERVICE OF NOTICE:

Any notice or request required or permitted to be given or made under this Agreement to Bank or to the Borrower shall be given in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or telegram to the party to which it is required or permitted to be given or made at such party's address specified below or at such other address as such party shall have designated by notice to the party giving such notice or making such request.

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To the Bank: _____

To the Borrower: _____

18. SEVERABILITY:

The Articles of the Agreement and the clauses contained in each Article are severable and any illegality, invalidity or irregularity, inconsistency or repugnancy of any Article or any clause in Article shall not in any way affect the legality, validity or regularity of any other Article or clause of the Article.

19. GOVERNING LAW AND JURISDICTION:

This Agreement shall be governed by and construed in all respects with the Laws in India and any matter, issues or any dispute arising hereunder shall, at the option/discretion of the Bank, be subject to the exclusive jurisdiction of the Courts of the City of Mumbai, India.

The Borrower agrees / confirms as follows:

- (a) To keep alive the insurance policy/policies assigned in favour of Bank by paying on time the premium as they fall due and produce the receipts to Bank whenever required.
- (b) Bank shall have the right to receive and adjust any payment that it may receive in connection with any insurance policy/policies against the Loan and alter the amortization schedule as set out in Schedule-I hereunder in any manner as it may deem fit notwithstanding anything to the contrary contained in this Agreement or any other document or paper.
- (c) That the terms and conditions and all the covenants and details of the Schedule-I hereunder shall be read and construed as part and parcel of these presents.
- (d) That the terms and conditions of this Agreement shall be binding on the legal representatives, heirs, executors, administrators, successors and assigns of the Borrower and the successors and assigns of the Bank.

Schedule-I

Particulars	Details
i) Description of the Borrower / Co-borrower:	
Name	s/o / d/o / w/o
Address	PAN
Age	
Type of Loan	Loan against residential property/commercial property
Loan amount	Rs. _____
No. of tranches	Single/Multiple
Purpose:	
Rate of Interest	Base Rate ____% + margin ____% = ____%
Additional Interest	as per terms and conditions of the Bank to be declared from time to time
Tenor of Loan	_____ months
Number of EMIs	
Amount of each EMI	Rs. _____/-
Date of commencement of the Monthly Installment:	
Mode of Repayment:	ECS/SI/PDC
Prepayment Charges	upto 15% of principal prepayment in a financial year is not chargeable. Above 15% will chargeable at 2%
a) Description of Property	
a) Administrative Charge (Legal + Valuation)	Rs. _____
b) Upfront Processing Charge	Rs. _____/-
c) Franking charges as per actuals	Rs. _____/-

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24 ⊗

25 ⊗

26 ⊗

IN WITNESS WHEREOF the Parties have executed this Agreement on the day and the year first hereinabove written,

SIGNED AND DELIVERED

by the withinnamed Borrower

Shri / Smt. _____ X)
Shri / Smt. _____ X)
Shri / Smt. _____ X)
Shri / Smt. _____ X)

AND

SIGNED SEALED AND DELIVERED BY

The RATNAKAR BANK LIMITED

Shri / Smt. _____ X)

MEMORANDUM OF DEPOSIT FOR CREATION OF MORTGAGE
[Creation of Equitable Mortgage]

On the _____ day of _____ 20____, Mr. _____, in the capacity of owner of the immovable property **Mr./Mrs.** _____, residing at _____ 29 ⊗
_____ (hereinafter referred to as **"Borrower"**, which expression shall include his/her heirs, executors and permitted assigns as the case may be) attended the office of, **The Ratnakar Bank Limited**, a company incorporated under the Indian Companies Act, 1913 and an existing Company within the purview of the Companies Act, 1956 and having its Registered Office at Shahupuri, Kolhapur – 416 001 and Administrative office at "MAHAVEER" 179/E, Shri Shahu Maharaj Market Yard, Kolhapur – 416 005, Maharashtra (hereinafter referred to as **"Bank"** which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors in interest, assigns, holding or subsidiary company, permitted assigns and/or associates) and met Mr./Mrs. _____ and Mr./Mrs. _____ of Bank, with an intention to create an equitable mortgage over the property/ies (hereinafter referred to as **"Immovable Property/ies"**) more particularly described in **"Schedule-II"** hereunder to secure the repayment to Bank for the loan agreed to be granted or granted upto the extent of Rs. _____ (**"Loan"**) by Bank under Loan Agreement dated _____ (**"Agreement"**) to Borrower.

1. Depositor made deposit of the documents of title, evidences, deeds and writings (hereinafter called the said the **"Title Deeds"**) with an intention to create mortgage by way of deposit of title deeds in favour of Bank to secure the Loan, on behalf of the Borrower to Mr./Ms. _____ with an intent to create security by way of equitable mortgage by deposit of title deeds **more particularly described in Schedule -I hereunder on the Borrower's Immovable Property/ies more particularly described in Schedule -II together** with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future, for the due repayment, discharge and redemption by the Borrower to Bank for the Loan sanctioned by Bank to the Borrower together with all interest, liquidated damages, costs, charges, expenses, guarantee commission and other monies, payable under its facility agreement / letter of sanction / memorandum of terms and conditions. 30 ⊗
2. Whilst depositing the said Title Deeds/giving such oral consent, the Depositor, on behalf of the Borrower(s), stated that he/she has deposited the Title Deeds on behalf of the Borrower(s) in his /her capacity as Owner of the Immovable Property/ies / Authorized Signatory of the Borrower for the above said Loan with intent to create the Security on the Immovable Properties as aforesaid to secure the Loan and was duly authorized to give the aforesaid oral consent and make deposit of the title deeds as aforesaid.
3. Depositor has further stated that as long as any amount is outstanding under the said Loan the Borrower shall not create any further charge on the Immovable Property/ies and that the Immovable Property/ies shall be a continuing security whether the balance in the said Loan at any point of time is extinguished or becomes nil or comes to credit.

SCHEDULE-I
LIST OF TITLE DEEDS

SCHEDULE-II
DESCRIPTION OF IMMOVABLE PROPERTY/IES

Signature of Bank Officer

_____ X

Date:

Place:

DECLARATION

I /We,
(i) Mr./Ms. _____, S/o, D/o, W/o. _____ residing at _____

(ii) Mr./Ms. _____, S/o, D/o, W/o. _____ residing at _____ 32 ⊗

(iii) Mr./Ms. _____, S/o, D/o, W/o. _____ residing at _____

in my capacity as Owner of the immovable property

[THE BANK to add all the names of the signatories to the respective Deed]

do hereby solemnly declare, confirm and re-confirm and say as follows:

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1. That save and except for the Borrower no other person or persons have any shares, right, title, or interest of any nature whatsoever in the immovable property/ies situated at _____ more particularly described in the **Schedule-I** hereunder attached (hereinafter referred to as the "**said Immovable Property/ies**"). 34 ⊗
2. That I/ we have availed/ have been granted/ sanctioned a loan of Rs. _____ ("**Loan**") by **THE RATNAKAR BANK LIMITED**, a company incorporated under the Indian Companies Act, 1913 and an existing Company within the purview of the Companies Act, 1956 and having its Registered Office at "Shahupuri", Kolhapur - 416 001, Maharashtra. ("**The Bank**" OR "**Lender**").
3. That I/we shall /cause the Borrower to duly and faithfully observe and fulfill all the terms and conditions set out in the loan agreement dated _____ ("**Agreement**") and other transaction documents in relation to the Loan granted/sanctioned by the Lender to the Borrower and shall always observe and comply with the rules and regulations framed by the Lender from time to time. The Loan has been granted/sanctioned to the Borrower at my/our request. The Lender shall be entitled to vary, modify the terms of the transaction documents or release any security or provide further financial assistances without my/our further approval.
4. That I/We have observed and performed and will duly observe and perform all the rules, regulations, terms, conditions and covenants subject to which the said Immovable Property/ies has been purchased/acquired/held by me/us which are so required to be observed, performed, complied with by me/us.
5. That there is no prohibitory order either from the Income Tax Authority or from any Revenue Authority for transfer of the said Immovable Property/ies nor there is any litigation pending in any Court in respect of the said Immovable Property/ies.
6. That the Borrower has fully discharged all its/ their liabilities towards Income Tax and Sales Tax and all other taxes payable in respect of the said Immovable Property/ies.
7. That the Borrower has good right, full power and absolute authority to transfer the said Immovable Property/ies to any person and that neither the Borrower nor anyone on their behalf has committed any act, deed, matter or thing whereby the said transfer can be adversely effected.
8. That the Borrower has not in any way encumbered or agreed to encumber either by way of mortgage, charge, lien (including negative lien), trust, sale, pledge or otherwise alienate howsoever its/their share, right, title and interest in the said Immovable Property/ies and the Borrower's title to the said Immoveable Property/ies is marketable.
9. That there is no litigation pending in any Court in respect of the said Immovable Property/ies nor there is any lis pendens registered nor there is any attachment either before or after the judgment in respect of the same. a company incorporated under the Indian Companies Act, 1913 and an existing Company within the purview of the Companies Act, 1956 and having its Registered Office at "Shahupuri", Kolhapur - 416 001, Maharashtra.
10. That no other person is in custody, possession, occupation of the said Immovable Property/ies and that no other person is entitled to claim any right, title or interest or whatsoever nature either by way of tenancy, sub-tenancy, licence, sub-licence, care-taker or in any other manner or any occupational right or interest in the said Immovable Property/ies.

11. That the Borrower has / have been paying all rents, royalties including provident fund, gratuity fund, employees Provident fund dues, income tax, sales tax, Corporation taxes and other taxes and revenues payable to the respective Government and Authorities or to any Local Authority and at present there are no arrears, taxes, rents, royalties, revenues and there are no attachments, warrants, written notices that have been served on any of the Borrower in respect of such tax, that will have a bearing on the attachments and / or sale or mortgage of the Immovable Property.
12. That the Borrower is the absolute owner of the said Immovable Property/ies and that the Borrower has clear and marketable title thereto and there is no mortgage, charge, lien or other encumbrance or attachment on the said Immovable Property/ies or any part or parts thereof in favour of any Government or the Income-tax Department, or any other Government Department, or any person, firm or company, body corporate or society or entity whatsoever and that the Borrower has not entered into any agreement for sale, transfer or alienation thereof or any part or parts thereof and that no such mortgage, charge or lien or other encumbrance whatsoever will be created or attachment allowed to be levied on the above referred Immovable Property/ies or any part or parts thereof in favour of or on behalf of any Government or Government Department or any person, firm, company body corporate or society or entity whatsoever.
13. That no proceedings for recovery of taxes are pending against the Borrower under the Income-tax Act or any other law in force for the time being and that no notice has been issued and/or served on the Borrower under Rules 2, 16 and 51 or any other Rules of the Second Schedule to the Income-tax Act, 1961, or under any other law.
14. I/We are not aware of any document/judgment or legal process of latent/patent defect in my/our title to the said Immovable Property/ies which may prejudicially affect The Bank .
15. That I/We hereby declare and undertake and confirm that The Bank shall be entitled to utilize the information furnished by me/us in such manner as they deem fit or necessary, including making of any disclosures to any regulatory authority or any other person; this declaration shall continue to remain valid, binding and in full force and effect during the subsistence of the Loan Agreement and the other transaction documents and till the Loan and all monies in respect thereof are paid off in full to the satisfaction of The Bank .
16. That on the basis of the aforesaid statement and assurances made by me / us, The Bank has agreed to grant/ granted the Loan and I / we hereby agree to indemnify and keep indemnified The Bank and its assigns and all against all actions, suits, costs, charges, expenses, proceedings and damages and that may be suffered and / or incurred by the said transferees, if any of the statement made hereinabove are to be untrue and / or false.
17. I / We hereby state that whatever statements made hereinabove are true to my own knowledge, information and behalf and have been made on my own free will and I / we believe the same to be true.

Schedule – I : Description of the said Immovable Property/ies

36 ⊗

IN WITNESS WHEREOF I / we, _____ have executed these presents the day and year as mentioned below.

(Signature of Mr. _____ as _____ of _____) X

(Signature of Mr. _____ as _____ of _____) X

37 ⊗

(Signature of Mr. _____ as _____ of _____) X

Place:

Date:

(to be notarized) Before Me

DECLARATION FOR SIGNING IN VERNACULAR LANGUAGE

I, _____, son/daughter/wife of _____ adult and inhabitant of _____ residing at _____, do hereby state and declare as solemn affirmation as under:

38 ⊗

I have been read out and explained in the language known to me, the contents of the loan documents and all other documents incidental to availing the loan ("Loan") from The Ratnakar Bank Limited by me / by Mr./Ms. _____ and I have signed the said documents after having understood them and by signing the same I do hereby agree to abide by all the terms and conditions of the Loan and the clauses of the same.

I declare that whatever I have stated hereinabove is true and correct to the best of my knowledge and belief.

Solemnly affirmed at _____, on this ____ day of _____ 201__.

Signed

_____X

(Signature of Applicant/co-applicant signing in Vernacular Language)

Name: _____

Relation to Applicant: _____

Date: _____

Place: _____

POWER OF ATTORNEY

TO ALL TO WHOM THESE PRESENT SHALL COME, I/WE _____

SEND GREETINGS:

Whereas I/We am/are the owner/s of the immovable Immovable Property/ies described in the **Schedule-I** annexed to the Loan Agreement dated _____ hereunder written (herein after called the "**Immovable Property/ies**")

1 ⊗

And Whereas by the Loan Agreement dated _____, made between me / us (herein after called "**the Borrower**") and The Ratnakar Bank Limited, a Public Company incorporated under the Indian Companies Act, 1913 and an existing Company within the purview of the Companies Act, 1956 and having its Registered Office at Shahupuri, Kolhapur – 416 001, Maharashtra (hereinafter referred to as "**Bank**" which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors, and permitted assigns) has agreed to grant or granted loan facilities to me/us upto a maximum principal amount of Rs. _____/- (Rupees _____ only) by way of _____ (hereinafter called the "**Loan**").

And Whereas one of the conditions for sanction of the Loan and for securing the due repayment by me/us of the Loan, interest, fees, charges, costs and other expenses and all other amounts payable by me/us to Bank, I / We have agreed to create / created a first and exclusive mortgage in favour of Bank over the Immovable Property/ies by way of legal mortgage/an equitable mortgage by deposit of title deeds;

2 ⊗

And Whereas I / We have agreed to execute irrevocable Power of Attorney in favour of Bank authorizing Bank to do certain acts, deeds, matters and things in relation to the Immovable Property/ies in the manner herein after appearing;

NOW KNOW WE ALL AND THESE PRESENTS WITNESSETH that I / We, do hereby nominate, constitute and appoint Bank (herein after called the said "Attorneys") as my / our true for true and lawful attorney for me / us in our name and on my / our behalf and at my / our cost and risk to do, execute, and perform all or any of the following acts, deeds, matters, and things, that is to say:

1. To make, execute, sign, seal and deliver and cause to be registered in favour of Bank at my / our cost and expense (inclusive of all stamp duties, fees and taxes) in all respects:
 - (i) A legal and / or equitable or any other form or type of mortgage in respect of the Immovable Property/ies, as a security for the Loan together with interest/commission, further interest by way of liquidated damages, commitment charge, costs, charges and expenses and all other moneys payable by me to Bank in respect of the said financial facility, with all covenants, conditions, declarations, agreements, provisions and stipulations as in the absolute discretion of Bank be deemed necessary or expedient and in the form acceptable to Bank.
 - (ii) All such other deeds and documents as also the requisite particulars required to be filed with any authority as may be necessary.
2. To apply for and obtain the necessary Certificate/Certificates and permissions under Section 281(1) of the Income Tax Act, 1961 or any other applicable law and/or any other certificate that may be necessary and all other deeds and documents and for the purpose of the legal and / or equitable or any other form or type of mortgage, to appear for and on behalf of me / us before the concerned authorities and pay and discharge all liabilities if any and reimburse all such sums so paid or debit such amounts to my / our account carrying interest at stipulated rates.
3. AND I / WE DO HEREBY DECLARE that this Power of Attorney shall be irrevocable till all the dues of Bank in respect of the Loan including the principal amount thereof together with interests, costs, charges and expenses and all other monies due and payable thereon are fully and finally repaid to the Bank.
4. To sign and file any applications, statements, declarations and other papers as may be required under the provisions of any law and in particular, to apply for and obtain necessary permission or consent as may be necessary for creation of the said legal and / or equitable or any other form or type of mortgage and all deeds and

3 ⊗

documents for the purpose of creating an effective security in favour of Bank and for the above purpose to appoint any nominee / agent to appear for and on my /our behalf before the State Government and/or other authorities and to incur on my /our behalf all costs, charges and expenses in that behalf as also to engage any solicitor, advocate, architect, valuer or other person concerned for the purpose and to reimburse any such sums as may have been paid in that behalf and claim or debit the said amount to my /our account carrying interest at the stipulated rates.

5. To appear before the Registrar and Sub-Registrar of Assurances in any District or Sub-District appointed to register documents under the law applicable thereto for the time being in force for the registration of documents and to present for registration the deed/s and document/s, executed by virtue of these presents and also to admit execution thereof and to do or cause to be done all such acts, deeds, matters and things as may be necessary or proper for the effectual completion and all other deeds and documents so executed in the Land Registry, Collector and other Revenue Authorities as well as the Registrar of Companies or otherwise howsoever.
6. To enforce security in terms of the Indenture of Mortgage or Memorandum of Deposit of Title Deeds including taking possession of the Immovable Property/ies and for the said purpose, to do all such acts, deeds, matters and things as may be necessary.
7. AND GENERALLY to do or cause to be done every other act, deed, matter or thing which Bank may deem necessary or expedient for the purpose of or in relation to these presents as well as for the effectual creation of the said legal and / or equitable or any other form or type of mortgage and all other deeds and documents in favour of Bank, as fully and effectual as if I / We was / were present and had done, executed and performed the same myself / ourselves. Further, to delegate to the substitute attorney or attorneys so nominated or appointed by me/us, all or any or some of the powers, authorities hereby conferred on Bank as my/our Attorney and to revoke any such nomination or appointment and to nominate and to appoint another or others in his/their place, provided that such nomination and appointment shall not divest Bank's Attorney of any of the power granted under the afore-cited Power of Attorney and provided further that the power to nominate or appoint substitute under this paragraph shall not be exercisable further by any such substitute or substitutes.
8. And I / We hereby agree, ratify and confirm all that Bank may as such attorney lawfully do or cause to be done in relation to and by virtue of these presents.
9. I / We do hereby agree that all or any of the powers hereby conferred upon the said Attorney (Bank) may be exercised by any officer or officers of the said Attorney nominated in writing by the Bank / any other Constituted Attorney of the Bank specifically authorized in that behalf.

IN WITNESS WHEREOF, I / We have executed this presents on this _____ day of _____.

SIGNED AND DELIVERED by the within named Borrower(s) _____)

INDIVIDUAL(S) AS BORROWERS	
Name	Signature
1.	
2.	
3.	
4.	

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