

CFD 3

**TERM LOAN AGREEMENT
(For secured and clean term loans)**

THIS MEMORANDUM OF AGREEMENT IS EXECUTED AT on this the..... day ofof BETWEEN

Shri/Smt.....*S/o/D/o/W/o, aged --- years residing at (furnish full address)..... at present carrying on the business at as a sole proprietor(trix) under the firm name and style of M/s.....

OR

Shri/Smt.....*S/o/D/o/W/o.....

Shri/Smt.....*S/o/D/o/W/o.....

At present carrying on the business at in partnership under the firm name and style of M/s.....

OR

Shri/Smt.....*S/o/D/o/W/o..... aged --- years residing at (give full address)

for self and as the Kartha of his joint family carrying on the business atas joint family business under the firm name and style of M/s

OR

....., a Society/Association registered under the Societies Registration Act/Co-operative Societies Act /The Travancore Cochin Literary, Scientific and Charitable Societies Registration Act,1955 of Kerala and having its registered office at and with its registration No. -----.*

OR

..... Limited, a company within the meaning of the Companies Act, 1956, and having its registered office at *

(* herein after referred to as "the Borrower" which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her heirs, legal representatives/coparceners of the joint family, their survivors, executors, administrators, legal representatives, successors and permitted assign) of the One part

AND

CSB Bank Limited, a Company constituted under the Companies Act carrying on the Business of Banking and having its Head Office at Thrissur and a branch among other places at

(herein after referred to as "the Bank" which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns)

WHEREAS

at the request of the Borrower, the Bank has agreed to grant to the Borrower, aTerm Loan of Rs. (herein after referred to as the "said Loan") for the purpose stated by the Borrower in the loan application and on the terms and conditions contained in the Sanction letter as well as those appearing hereinafter.

NOW IN CONSIDERATION thereof, the Borrower agrees and covenants with the Bank as follows:

1. The Borrower's loan application dated _____ and subsequent correspondence with the Bank (hereinafter collectively referred to as "the Borrower's proposal") shall be deemed to constitute the basis of this Agreement and of the said Loan and the Borrower hereby warrants the correctness of each and every statement and particulars therein contained and undertakes to carry out the proposal therein set forth.
2. The Borrower declares and confirms that the said Loan agreed to be granted to the Borrower shall be governed by the terms and conditions as set out in the relative security documents and sanction/ arrangement letter No. dated _____ and those stated herein including the specific terms and conditions if any listed in the Schedule I hereunder.
3. The Borrower undertakes to notify in writing to the Bank of any circumstance affecting the correctness of any of the particulars set forth in the Borrower's proposal immediately on the happening or occurrence of any such circumstance.
4. The Borrower expressly agrees and undertakes that the said Loan shall be utilized exclusively for the purpose set forth in the Borrower's proposal, no change shall be made therein without the written sanction of the Bank.
5. The Loan will be disbursed by the Bank in one or more installments as may be decided by the Bank and subject to the Borrower complying with the provisions of this Loan agreement and disbursement procedure stipulated by the Bank and subject to margin money if any to be brought in by the Borrower in consonance with details mentioned in the Borrower's proposal which was approved by the Bank. In case of disbursement of loan in stages/ installments, disbursement of subsequent installment will be subject to satisfaction of the Bank that the amounts disbursed earlier have been properly utilized by the Borrower for the purpose(s) declared by the Borrower and approved by the Bank. The Bank may, at their discretion, deduct from the sums to be lent to the Borrower any money then remaining due and payable by the Borrower to the Bank.
6. The Borrower(s) expressly agrees that in the event of / in case the said loan or any portions thereof have been / are partially availed and utilized or remains unutilized within the prescribed period, then and in that event, the said loan itself or such unutilized portion of the said loan shall be deemed as cancelled on the expiry of the prescribed period unless the Bank at its discretion agrees in writing at the specific request of the Borrower to make available the said loan or unavailed portion thereof subject to such terms and conditions including payment of commitment charges at such rates prescribed by the Bank.

7. The Borrower shall pay interest to the Bank on the amount of the Loan outstanding at the rate/s as specified in Schedule II hereto. The Borrower hereby agrees that the Bank, unless otherwise stipulated, shall have the right to reset the interest rate on the expiry of the maturity period of the CSB Marginal Cost of Fund Based Lending Rate (hereinafter referred to as MCLR) as stated in Schedule I herein below and to charge such varying rate of interest depending upon the revision in the CSB MCLR or otherwise made by the Bank or RBI from time to time without notice to the Borrower(s) provided that the interest payable by the borrower shall be subject to the changes in interest rates made by the Reserve Bank from time to time. Every change in the rates or rests of interest notified by the Bank in its Web Site or notice boards or in newspapers or made through any entries in the pass book or statement of account sent to the borrowers shall be sufficient notice of such change and be binding on the Borrowers provided that in the event of increase in the rate of interest, the Borrower shall have an option to prepay to the Lenders forthwith, the entire outstanding of the Loan together with interest thereon without being required to pay a premium for such prepayment. Any requirement of giving written communication to the borrower either individually or otherwise regarding the change or revision in rate of interest or charging of penal charges is expressly hereby waived by the Borrower(s).

8. Interest shall be calculated respectively on the daily balance in the account in accordance with the practice of the Bank and be debited thereto on the last working day of the every month. Interest shall be paid on or before the 7th day of every month (hereinafter referred to as the "due date") except where repayment has been agreed to be in Equated Monthly Installments and the same has commenced. The Borrower(s) further acquiesces to the accounting practice of the Bank in this behalf.

9. In the event of any default in the payment of the installments of principal or interest on due dates, the Borrower shall pay on defaulted amount, penal charges at% per annum.

10. The Borrower shall repay the amount of Loan with interest inclusive of interest compounded monthly, up to the date of payment including accrued but unapplied interest together with all service charges, commitment charges, penal charges, enhanced rate of interest, costs, charges and expenses (including the legal costs between the client and advocate on full indemnity basis) and all such monies debited or accrued in the account in respect of the said facilities to the Bank and without prejudice to the above, the Borrower shall repay the amount of loan as stated in Schedule III hereunder.

11. If the income/profitability of the Borrower, the cash flow and other circumstances so warrant, the Bank shall be entitled to require the Borrower, to prepay the Loan on dates earlier than the dates specified in these presents and also increase the amount of instalments of repayment fixed therein.

12. The Borrower shall have no right to prepay the outstanding principal amount of the Loan in full or in part before the due date specified hereto except after obtaining prior approval of the Bank (which may be granted conditionally including payment of premium).

13. All payments due and payable under the Loan agreement and made by the Borrower shall be appropriated towards such dues in the following order viz.,

- (i) premium on prepayment, cost, charges, expenses and other moneys;
- (ii) interest on cost, charges, expenses and other moneys;
- (iii) commitment charges, if any
- (iv) interest including additional interest payable in terms of Loan agreement;
- (v) penal charges on defaulted amounts;
- (vi) repayment of instalment of principal due and payable under the Loan agreement.

14. Notwithstanding anything herein contained or in the security document(s) the whole of the Loan shall become forthwith due and payable by the Borrower to the Bank and the

Bank shall be entitled to enforce its security upon the happening of any of the following events of default, namely,

- a) any installment of the principal or interest remaining unpaid for a period of one month after the due date whether demanded or not.
- b) the Borrower committing any breach or default in the performance or observance of any of the covenants contained herein and/or the Borrower's proposal and/or any other documents;
- c) If any of the representations or the documents furnished by the Borrower(s) in its application are found to be untrue or false or incorrect.
- d) the Borrower entering into any arrangement or composition with its creditors or committing any act of insolvency;
- e) any execution or distress being enforced or levied against the Borrower or any part of his property;
- f) the Borrower going into liquidation (except for the purpose of amalgamation or reconstruction) or a resolution passed for the winding up or a petition for winding up is filed or notice of meeting is issued for passing such resolution.
- g) the Borrower being a firm any of its partners being adjudicated insolvent or taking advantage of any law for the relief of insolvent debtors;
- h) a Receiver being appointed in respect of the whole or any part of the property of the Borrower;
- i) the Borrower ceasing, or threatening to cease, to carry on its activities /business/profession;
- j) the occurrence of any event or circumstance which prejudicially or adversely affects or is likely to prejudicially or adversely affect in any manner the capacity of the Borrower to repay the Loan;
- k) The occurrence of any events circumstance which in the opinion of the Bank is prejudicial to or impairs or depreciates or which is likely to prejudice /imperial or depreciate the security given to the Bank or which affects adversely the Borrower's capacity to repay the loan.
- l) The Borrowers fail to submit the required statements or mis-utilizes/ diverts the monies or the said assets without the Bank's prior permission or knowledge
- m) inability of the Borrower to pay its debts including any debt payable to the Bank in any other account/s either as borrower or guarantor or its failure to pay the amount due to the Bank on due dates under these Presents;

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

Provided always that the Bank may in its discretion refrain from enforcing its rights under this security document in spite of the happening of any of the contingencies aforesaid and such refrain if any made by the Bank shall not be treated as waiver of any of the rights accrued to the Bank. Provided further that any failure or delay in exercising any rights, power or privileges hereunder or other security documents or any single or partial exercise of such right, power, or privilege shall not impair/ extinguish or preclude the bank from any further exercise of the same or any other power or right or privilege. The rights and remedies of the bank are only cumulative and not exclusive.

15. This agreement shall operate as a continuing security for all moneys indebtedness and liabilities aforesaid due from the Borrower to the Bank under all accounts.

16. If the Borrower be more than one individual all shall be bound hereby jointly and severally and if a firm or members of a firm such and all members from time to time thereof shall be bound hereby jointly and severally notwithstanding any changes in the constitution or style thereof and whether such firm consist of or be reduced to one individual at any time. And that if the Borrower be more than one individual at any time notice served on any one of such individuals shall be deemed to be service of such notice on all of such individuals.

17. If the Borrower be more than one individual each one or any of them is authorized and empowered by the others of them to admit and acknowledge their liability to the Bank by any payment into the account or by way of express writing and in any manner otherwise and any such admission and acknowledgement of the liability by one or more of them shall be construed to have been made on behalf of each of them.

18. Nothing herein contained shall prejudice any rights or remedies of the Bank in respect of any other present or future security, guarantee, obligation or decree or certificate for any indebtedness or liability of the Borrower to the Bank

19. The Borrower shall bear all expenses such as solicitor's and lawyer's fees, stamp duty, registration charges and other incidental expenses incurred in connection with the Loan.

20. The Borrower shall furnish and verify all statements, accounts, reports, returns, documents, certificates and information and shall also execute all documents and do all acts and things which the Bank may require to give effect hereto and the Borrower hereby appoints the Bank as its Attorney for and in the name of the Borrower to do whatever the Borrower may be required to do hereunder.

21. The Borrower shall from time to time and at all times during the continuance of the loan keep properties mortgaged if any in good and substantial state of repairs and shall pay all ground rent, rates, taxes and assessments present as well as future, payable in respect of the same immediately after they shall become due and also to pay all electricity charges, municipal rates/taxes and all other charges in connection with the mortgaged property regularly and punctually and in case the Borrower neglects to keep the aforesaid property or any part thereof in good and substantial repair or pay the ground rent, rates, taxes charges and assessments as aforesaid, it shall be lawful for but not obligatory upon the Bank to repair the said securities or any part thereof and to pay any such ground rent, rates, taxes, charges and assessments. All moneys, premia, costs, charges of such repairs, the payment of ground rent, rates, taxes, charges and assessments as aforesaid shall be a charge upon such security jointly with all principal moneys and interest hereby secured as if they formed a part thereof. The Bank through any of its officers/agents or any other person authorised in this behalf shall be entitled to enter upon the mortgaged property and shall be at full liberty to inspect the same and may also get the valuation done in respect thereof.

22. The Borrower hereby undertake to insure to the satisfaction of the Bank and keep insured the property mortgaged/ to be mortgaged constituting the Bank's security against fire, lightning, flood, earthquake and riot and strike risks in a sum equivalent to its full market value with an insurance company licensed by IRDA and approved by the Bank in the joint names of the bank and the Borrower or otherwise as the Bank may require and shall duly and punctually pay all premiums and shall not do or suffer to be done any act which may invalidate or avoid such insurance and shall deposit the insurance policy and all cover notes, premium receipts and other documents connected therewith with the Bank when required by the Bank to do so. If the Borrower fails to effect such insurance the Bank may without being bound to do so insure the said property, against fire or other risks in such joint names and recover the premium and other charges from the Borrower and in the event of the Bank being at any time apprehensive that the safety of the property is likely to be endangered owing to riot and/or strike (including fire arising there from) or for any other reason it may at its sole discretion without being bound to do so insure or require the Borrower to insure the same in such joint names against any damage arising there from, the cost of such extra insurance being recoverable from the Borrower. The Borrower further expressly agrees that the Bank shall be entitled to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise any award made on such arbitration shall be valid and binding on the Borrower and also to receive all moneys payable under any such insurance or under any claim made there under and to give a valid receipt therefore. Any moneys realized from such insurance shall at the option of the Bank be applied either in reinstating

the security or in repayment of the loan and interest. Further, the Borrower will not raise any question that a larger sum might or ought to have been received or be entitled to dispute his liability for the balance remaining due on the loan account after such credit.

23. The Borrower hereby declares that the Borrower is not indebted to any other branch of the Bank or any other bank or person or institution other than those disclosed to the Bank and undertakes that the Borrower shall not avail any loan from any other branch of the Bank or any other bank or person or institution during the currency of the said Loan without the prior permission of the Bank in writing.

24. It is agreed that the Borrower shall have no right to compel the Bank to give any additional facilities or rehabilitation and the decision of the Bank in this respect shall be final and binding on the Borrower.

25. The Borrower agrees that the credit facilities granted by the Bank to the Borrower and the securities furnished and security documents executed by the Borrowers/ guarantors shall be the assets of the Bank and the Bank shall be at liberty at any time to shift the outstandings in the loan account/s either in part or whole, to one or more Scheduled Commercial Banks without notice in terms of The Uniform Code Governing Interbank Participations, 1988 or to assign, novate, transfer or otherwise deal with such assets (in any form or manner whatsoever) either in part or whole or to securitize the same and notwithstanding such Interbank Participation/assignment/ transfer/ securitization, the Borrower shall unless otherwise notified by the Bank continue to make all payments under the transaction documents to the bank and all such payments when made to the bank shall constitute a full discharge to the Borrowers from all its liabilities in respect of such payments.

26 (i) The Borrower irrevocably constitutes and appoints the Bank to be the Borrower's true and lawful Attorney to do and execute for and in the name and on behalf of the Borrower all or any of the following acts deeds and things, namely

- (a) To take over manage and carry on the business of the Borrower, and complete any engagements, contracts or purchases.
- (b) To sign, register, file any application forms, contracts, agreements, transfers, acceptances, receipts, acquittances, returns and any other documents and to sign and endorse all cheques, promissory notes, bills of exchange, bills of lading, dividend, mandates or other orders for payment of money or delivery of property.
- (c) To sell, transfer, realize, assign, take possession or deal with any goods, machinery or other movable or immovable properties including the goodwill of the business.
- (d) To demand and receive all debts, sums of money, principal money, dividends, interest and dues of whatever nature.
- (e) To appoint selling agents and, if necessary, to undertake new kind of activity or to appoint proxies for the purpose of representing the Borrower and voting in meeting or meetings of any Company or Corporation in which the Borrower holds any shares, debentures, stocks etc. or to apply for and obtain any shares debentures or other securities in the name of the Borrower or to sell, endorse, negotiate, transfer and assign any securities, shares, stocks, debentures, funds and other securities which do now or shall hereafter stand in the name of the Borrower
- (f) To attend and represent the Borrower before any Authority or Tribunal and for the purpose of sign, execute and deliver all such documents and make all such declarations as may be necessary.
- (g) Generally to act in the premises as fully effectually with all intents and purposes and generally to act in the above premises as fully and effectually with all intents and purposes and to do all things as are necessary and which the Borrower(s) himself would do if person ally present , .
- (h) For all and any of the purposes aforesaid to appoint a substitute or substitutes.

- (ii) The Borrower hereby ratifies and confirms all the acts, things, deeds performed or to be performed by the Bank or its nominee or its substitutes in pursuance of any of the aforesaid powers and the powers hereby conferred shall not be determined or affected by the fact of the Borrower acting personally or through another in the premises.
- (iii) The powers shall subsists in favour of the Bank till all the dues of the Borrower to the Bank are finally satisfied.
- (iv) The aforesaid powers under this clause may be exercised by the Bank in its sole discretion but the exercise of the aforesaid powers is not obligatory on the Bank.

27. The Borrower(s) agree and gives consent without any demur or protests

- (a) That the Bank and the Reserve Bank of India will have an unqualified right to disclose, as the Bank may deem appropriate and necessary, all or any information and data relating to the Borrower and or credit facilities availed or to be availed by the Borrower and or any default committed in discharge of the obligations herein contained by the Borrower to the Credit Information Bureau (India) Ltd and or any other company/agency established under law and / or authorized in this behalf by the Reserve Bank of India. The Borrower also agrees that the Credit Information Bureau (India) Ltd or 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 they may furnish for consideration or otherwise, the processed information and data or the products thereof prepared by them to any Banks or financial institutions and other credit granters or registered users as may be specified by the Reserve Bank of India in this regard and the Borrower,
- (b) That in the event of default in repayment of any monies or performance of any obligations or breach of any terms and conditions or covenants, the Bank and/ or the Reserve Bank of India or any other authorized agency will have an absolute discretion or unqualified right, power and authority to disclose or publish names of the Borrower(s) and/ or its Directors, / Partners/ Office bearers/ Constituents / members as DEFAULTERS in such manner or through such medium as the Bank or the Reserve Bank of India in their absolute discretion may think fit and the Borrower agrees that this shall be treated as a precondition of the Loan sanctioned/agreed to be sanctioned by the Bank.

28. The Borrower declare that the information and data furnished by the Borrower to the Bank are true and correct and further agree that all information to be furnished in future shall likewise be true and correct.

29. The Borrowers agree that it shall not induct any person(s) who is a Director on the Board of a Company which is or has been identified as a willful defaulter and that in case such a person is found to be on the Board of Directors of the Borrower(s), it would at once take expeditious and effective steps for removal of such persons from its Board.

30. Any demand or notice to be made or given by the Bank to the Borrower may be made or sent by fax or other accepted means of communication including through electronic or other mediums, or registered post with acknowledgement due or through any approved courier or leaving the notice at the office of the Borrower in the address furnished to the Bank. The Borrower shall be bound to furnish from time to time any change in the address and in the absence of notification of any change, any notice given in the address originally furnished to the Bank shall be treated as sufficient notice to the Borrower.

31. The Borrower agree that if any of the loan accounts to which he or it is party, is classified as NPA in the Books of the Bank, other accounts where he or it is a party as borrower or guarantor shall also be classified as NPA even if such account (s) is running regular.

32. The Borrower hereby agree and undertakes to create an Equitable Mortgage over the properties having an extent of _____ Ares lying in Sy No _____ in _____ Village _____ Taluk _____ District

belonging to the borrower or having purchased by the borrower as primary / as collateral security

And/or

Hypothecate/Pledge and charge the assets/machineries/vehicles/vessels acquired by utilising the amount of the Loan by way of Primary Security.

And/or

Hypothecate and charge the assets/machineries installed/lying in the premises at _____ by way of Collateral Security for repayment of the Loan together with interest, compound interest, penal charges, liquidated damages, costs, charges, expense and other monies payable to the Bank under these presents.

33. The Borrower declares that he/they has/have not committed any default in payment of Statutory dues like Sales Tax, Income Tax, Provident Fund dues etc., and shall pay all such Statutory dues on due dates. The Bank shall be advice of any demand notice relating to Statutory dues received by the Borrower.

34. The Borrower confirms that he/they has/have not committed any default in repayment of deposit to small depositors within the meaning of the Companies Act, 1956/2013

35. In the event the Borrower creates two or more mortgages in favour of the Bank either as primary or collateral security, the Borrower and mortgagor hereby waives his rights and benefits allowed/conferred under Section 61 and 61A of the Transfer of Property Act, 1882.

36. The Borrower shall not commit any act of insolvency and in the event of commencement of insolvency or liquidation proceedings or winding up or dissolution or change in constitution of the Borrower, the same shall be immediately informed to the Bank.

37. The Bank shall have the right to demand repayment of the balance outstanding in the loan account in lump sum or part thereof at its discretion in case the Borrower has committed any irregularity/default in repayment of the Loan or that the affairs of the Borrower in the opinion of the Bank is conducted in such a manner endangering the repayment capacity of the Borrower or that one or more of the events as stipulated in Clause (14) herein above has happened.

38. No delay or omission to exercise any right, power or remedy accruing to the Bank, upon any breach or default of the Borrower under this Agreement or continuance of such breach/default, shall impair any such right, power or remedy of the Bank nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or if any similar breach or default thereafter occurring.

39. The Borrower shall give immediate notice to the Bank with respect to or concerning any change in its Management, its Board of Directors, Capital Structure, Line of Activity, Financial Position, profit, Gross Asset Ownership position, or any circumstance including default in payment of dues to other creditors or payment of taxes, duties, levies, impost or Statutory liabilities which, in the opinion of the Bank, endangers or likely to endanger or adversely affect the repayment capacity of the Borrower.

40. The Borrower covenants with the Bank:-

(a) That the Borrower shall maintain adequate books of accounts as per applicable accounting practice and standards which shall correctly reflect the financial position and state of operations and the Borrower shall not radically change the accounting systems without notice to the Bank.

(b) That in the event of default in repayment to the Bank or if cross default has occurred, the Bank will have the right to appoint its nominee on the Board of Directors of the Borrower to look after its interests.

(c) That the bank shall have the right to convert the loan or any part of it in to equity or other capital as per Regulatory Guidelines, in the event of stressed situation including irregularity in or restructuring of the loan account.

(d) That unless otherwise expressly permitted, the Bank will have first right on the profits of the Borrower for repayment of the amounts due to the Bank after providing for tax and other statutory liabilities of the Borrower.

(e) That the Borrower shall ensure that the Promoter's share in the Borrowing entity is not pledged to any Bank or other financial institutions during the currency of the loan without the prior consent of the Bank.

(f) That the Borrower shall transact its entire business relating to their activity including deposit, remittances, bills/cheque purchase, non-fund based transactions including LCs and BGs, forex transactions, merchant banking, any interest rate or currency hedging business etc. with the Bank except in the case of consortium/multiple bank lending arrangements

(g) That the Borrower shall not pay any commission to the guarantors in consideration of the guarantees provided to the Bank.

(h) That the Borrower shall regulate fund based limit both in working capital and term loan through an Escrow mechanism as agreed among Banks to avoid any kind of diversion of funds.

41. The Borrower shall pay all rent, electricity charges, Municipal rates and other charges regularly and punctually and shall carry on business efficiently.

42. The Bank shall have the right at all reasonable times to have the Borrower's books of account and premises and factory inspected by an official of the Bank or a qualified Auditor or a technical expert.

43. The Borrower shall maintain adequate books and records to correctly and completely reflect the Borrower's financial position and scope of operations and arrange to submit such information and at such times and with such intervals as may be required by the Bank.

44. The Borrower shall not during the continuance of this Loan without the written consent of the Bank.

- (a) change or in any way alter its constitution or capital structure;
- (b) effect any scheme of amalgamation or reconstruction;
- (c) implement a new scheme of expansion or take up an allied line of business or manufacture;
- (d) enlarge the scope of the other trading activities if any undertaken at the time of the application and notified to the Bank as such;
- (e) declare a dividend or distribute profits after deduction of taxes, except where the instalments of principal and interest payable to the Bank are being paid regularly;
- (f) withdraw or allow to be withdrawn during the currency of the Loan any moneys brought in by the Borrower or the proprietors or partners or directors of the Borrower;
- (g) invest any funds by way of deposits, or loans or in share capital of any other concerns so long as any money is due to the Bank; the Borrower, will however be free to deposit funds by way of security, with third parties in the normal course of business or if required for the business;
- (h) enter into any hire purchase arrangement with any other branch of the Bank or any other bank or other institutions or person;
- (i) effect change in the Committee/Board/Person in control or management of the Borrower.
- (j) Enter in to any contractual obligations of a long term nature, or which in the opinion of the Bank is detrimental to lender's interests;
- (k) effect any change in the practice with regard to remuneration of Directors by whatsoever means, except where mandated by any legal or regulatory provisions;
- (l) Open or operate current accounts with any other bank in respect of the activity financed by the bank/s except in the case of consortium/multiple bank lending arrangements;

- (m) guarantee or issue any Letter of Comfort in respect of any loan granted to any other company including group companies.
- (n) create any charge, lien or encumbrance over the undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
- (o) approach capital markets for mobilizing additional resources either in the form of debt or equity

45. The Borrower shall, if required, by the Bank procure, obtain and furnish such securities including guarantees from its Directors/ Partners and others guaranteeing payment of the principal, interest and costs, charges, and other moneys due and payable by the Borrower to the Bank under or in respect of the said Loan.

46. The Borrower shall obtain the concurrence of the Bank if so required for the appointment of the Managing Director or any other person holding substantial powers of management of the affairs of the Borrower.

47. The Borrower agrees that the Bank is entitled to appoint such number of third parties as its agent to collect the installments and other dues to it under this agreement and to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto including sending notices of demand, attending the residence or office of the Borrower or otherwise contacting the Borrower or receiving the amounts due with proper receipts on behalf of the Bank and the Borrower has no objection on such appointments.

48. The Grievance redressal mechanism of the Bank is detailed in Schedule IV herein below

** delete if the Borrower is not a company.*

SCHEDULE I : DISBURSEMENT PROCEDURE

(Clauses which are not applicable should be deleted as per instructions on the last page)

Specific Terms and Conditions, if any applied to the Loan.

(i) The Borrower agrees for payment of the proceeds of the Loan by the Bank to the seller of the property directly and / or to the Supplier of the vehicle/vessel/machinery/goods/assets directly against the Supplier's invoice and on being satisfied that a new asset of the make required by the Borrower(s) has been/ have been/ shall be delivered to him/them. (or)

(ii) The Loan will be disbursed by the Bank to the Borrower in stages and in instalments as follows:

- (a) On receipt of items of machinery in the factory premises of the Borrower, payment to be made to the Borrower to the extent of the proportion agreed of the actual cost of the said items of machinery as per the evidence of vouchers/invoices. (or)
- (b) On receipt in India of machinery and installations thereof in the factory premises, payments to be made to the extent of part cost as per proportion agreed directly to the suppliers by the Bank on behalf of the Borrower. (or)
- (c) The Loan amount will be disbursed in stages and in installments as follows:

- | | |
|---------|----|
| (1) Rs. | On |
| (2) Rs. | On |
| (3) Rs. | On |

as advance payments of the expected cost of expenditure in the agreed proportion as evidenced by the estimate of expenditure/price invoices submitted to the Bank for the purpose of building the vessel/boat or for construction of a factory and

erection of buildings and structure and or acquisition and installation of plant and machinery or purchase of machinery or equipment by the Borrower (hereinafter collectively referred to as the "Loan Asset"). The Borrower will apply and utilise the said amounts before _____ for the aforesaid purpose and for no other purpose. The Bank will have the right to inspect and insist for proof of completion of any particular stage of acquisition/construction/erection or purchase of the Loan Asset before release of any installment and also subject to the satisfaction of the Bank that the margin money or any instalment of the Loan released earlier have been fully utilised for the acquisition/construction/erection/purchase of the Loan Asset and (Or)

(d) As reimbursement of the part cost of construction of a factory and erection of buildings and structures and or acquisition and installation of plant and machinery or purchase of machinery or equipment by the Borrower in the agreed proportion as evidenced by the statement of expenditure certified by an Engineer and/or Supplier's Invoices/receipts to be deposited by the Borrower.

Schedule II: Rate of Interest payable

.....Month's CSB Marginal Cost of Funds Based Lending Rate (CSB MCLR) plusBps, presently.....% per annum (Floating)

Schedule III: Mode of Repayment

A) Repayable in equal monthly installments of Rs.....each the first of which installments be paid on the date of and the subsequent installments on or before the same day of each month thereafter as the case may be and the interest accrued shall be paid on the respective due dates.

Or

B) Repayable in ____ number of Equated Monthly Installments of Rs._____ commencing from _____ subject to the condition that the amount of Equated Monthly Installments shall remain the same notwithstanding that the Loan has not been disbursed/availed in full or there has been upward or downward revision in the rate of interest unless otherwise decided by the Bank at its discretion,. Such variation(s) will be accommodated/ adjusted by increasing or reducing the number of installments only. In the event the Bank at its discretion refix or reset the EMI upon any increase or decrease in the interest rate or otherwise, the Borrower shall pay the re fixed EMI from such date as may be stipulated by the Bank.

Or

C) Repayable as follows.

Schedule IV- Grievance redressal mechanism

Registration of complaints:

The Bank enables its customers to register complaints through multiple channels. The various channels available to customers are as follows: -

Customer Care Team: Customers can contact our customer care team over the phone or email, website, mobile app for redressal of issues. Dedicated telephone numbers and email Id are made available for all customers of the bank irrespective of the product they hold with us. Our contact details can be found on our website www.csb.co.in.

Call Centre Team: Customers can reach our dedicated toll free helpline, 24x7 over phone, the contact number and email IDs are updated on our website.

Branch: Customers can speak to the branch officials for resolution of their issues or register their grievances at the Branches electronically, in the Complaints/Suggestion Register or in the complaint form.

Self-assisted channels: ATM, WhatsApp Banking, Website CMS, Internet Banking and Mobile Banking, Social Media Handles.

Escalation of complaints:

Level 1: All front-end channels: Branch/Call Centre Email ids of the bank for escalations are made available in all branches, website with escalation matrix, in absence of satisfactory resolution, customer may approach Zonal Offices-Cluster Head, Zonal Manager in case of no/delayed response by the bank. The contact details are displayed on Grievance Redressal poster displayed at each branch.

Level 2: Zonal Nodal Officer/ Central Nodal Officer: If a customer is not satisfied with the resolution provided through the channels listed above and/or the timeline of the resolution/turnaround time (TAT) is breached, the customer can escalate the grievance to Zonal Nodal Officer/ Central Nodal Officer for Grievance Redressal as available on our website under complaint redressal.

Level 3: Principal Nodal Officer: In case the customer fails to get redressal from any of the above levels, the details of the Principal Nodal officer are also made available on our website.

In case of non-satisfactory resolution, non/delayed response from Level I and Level II, customers can reach out to PNO. TAT for PNO escalated complaints are 21 days from the date of receipt at PNO office. Any complaint received directly at PNO office, bypassing Level I and Level II will be considered as normal complaint only.

Level 4:- The Bank has implemented RBI Internal Ombudsman Scheme. There is a separate detailed SOP document covering various aspects of the Internal Ombudsman Scheme. The bank appointed Internal Ombudsman as an independent authority to review complaints that were partially or wholly rejected by the bank. The IO mechanism was set up with a view to strengthen the internal grievance redressal system of banks and to ensure that the complaints of the customers are redressed at the level of the bank itself by an authority placed at the highest level of bank's grievance mechanism to minimize the need for the customers to approach other forum for redressal.

As per Internal Ombudsman Scheme, all complaints which are partly or wholly rejected by the bank will be invariably submitted to Internal Ombudsman for his review and concurrence. IO will not accept any customer complaints directly and any escalations to IO will be routed through the central grievance redressal team.

IN WITNESS WHEREOF the parties hereto have executed these presents the day and year first herein above written.

Signed Sealed and Delivered by

Shri/Smt./Kum./Messrs

For and on behalf of Messrs _____ as Proprietor/Proprietress

OR

Signed Sealed and Delivered by

Sl No.

Name

Signature

- 1.
- 2.
- 3.
- 4.

For and on behalf of M/s _____ as partners thereof

OR

Signed Sealed and Delivered by Shri

for and on behalf of Messrs _____

for self and as Karta of his joint family

OR

THE COMMON SEAL OF THE WITHIN NAMED SOCIETY

was hereunto affixed in pursuance of a resolution of the Committee of Management of the said Society passed on the ____ day of _____ 20__ and these presents have been signed by Members of the said Committee and the Secretary thereof in the presence of'

MEMBER(S) OF MANAGING COMMITTEE

(1)

(2)

(3) SECRETARY

COMMON SEAL, if any, of _____ Ltd was hereunto affixed pursuant to a resolution of the Board of Directors of the said Company passed in that behalf on the ____ day of _____ 20__ in the presence of

Shri _____ Director and

Shri _____ Director/Managing Director who have
signed these presents is token thereof

For CSB Bank Ltd.

Authorised Signatory

Name :

Designation: