

Deutsche Bank



Agreement for  
Unsecured Business Loan  
between \_\_\_\_\_  
and Deutsche Bank AG, India

(To be stamped with appropriate stamp duty amount)

This loan agreement ("Agreement") is made at the place and on the date stated in the Schedule attached hereto

BETWEEN

Deutsche Bank AG, a banking company incorporated and existing under the laws of Federal Republic of Germany having its registered office at Taunusanlage 12, D-60325 Frankfurt, and acting through its branch in India mentioned in the Schedule, hereinafter referred to as the "Bank" (which expression shall unless the context otherwise requires, include its successors and assigns) of the FIRST PART

AND

The borrower(s) whose name(s) and address(es) are stated in the Schedule and hereinafter referred to as "Borrower", which expression shall unless the context otherwise requires, include in case of an individual or proprietor of sole proprietorship, the heirs, executors and administrators of such individual or proprietor, in case of a company, its successors and assigns and in case of a partnership firm, the partner or partners for the time being of the said firm, the survivors or survivor of them and the heirs, executors and administrators of such partners of the Other Part:

WHEREAS the Bank is engaged in banking business in India.

AND WHEREAS the Borrower has requested the Bank to provide a Loan (as defined hereunder) for the purpose stated in the Schedule hereto and the Bank has accepted such request on the terms and conditions set out in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH AND THE PARTIES HERETO AGREE AS FOLLOWS:-

## Article I – Definitions

1.1. The following definitions apply throughout this Agreement unless the context otherwise requires

**"Branch"** means the branch of the Bank situate at the place specified in the Schedule through which the Loan is disbursed and shall include any other branch where the loan account is maintained or transferred to any time at the sole discretion of the Bank.

**"EMI" or "Equated Monthly Installment"** shall mean the amount of monthly payment necessary to amortise the Loan with interest, over the tenor of the loan. EMI amount shall incorporate repayment of principal and payment of interest calculated on the basis of the Interest Rate, periodicity of compounding, periodicity of repayment, periodicity of effecting credits in the account so as to aim repayment of the entire liability under the Loan at the end of its tenor.

**"Fixed Rate"** means the rate of interest applicable on the Loan, which is subject to review by the Bank after a fixed period as specified in the Schedule.

**"Flexi Rate"** means interest at the rate specified in the Schedule, where a part of the total Loan is on a Fixed Rate and the remaining is on Floating Rate, chosen by the Borrower, in the application form and specified in the Schedule.

**"Floating Rate"** shall mean the applicable interest rate announced by the Bank as per the Repo to the Loan with a spread if any, as may be decided by the Bank from time to time as specified in the Schedule.

**"Guarantor"** means an individual/ entity who promises to pay the debt borrowed by the Borrower on the event of default and the Guarantor has executed a separate Personal Guarantee/ Corporate Guarantee accepting the terms and conditions of this Agreement.

**"Interest Rate"** means the rate at which the Bank shall compute and apply interest on the Loan, being either Fixed Rate, Floating Rate or Flexi Rate as specified in the Schedule or as may be amended from time to time by the Bank. The Interest Rate shall be linked to Repo.

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**“Repo”** means Policy Repo Rate published by the Reserve Bank of India (RBI), reference rate for lending to be charged in accordance with Reserve Bank of India’s circular DBR.DIR.BC.No. 14/13.03.00/2019-20 dated September 4 2019, as amended from time to time.

In addition, the Bank shall also charge a spread over the Repo in such manner and subject to such criteria, as it deems fit on case to case basis.

**“Penal Charges”** means charges levied by the Bank and payable by the Borrower on account of; (i) delay in repayment of EMIs, (ii) non-submission of valid repayment instructions and (iii) delay in creation of ROC charge, where applicable, or any other category as specified in the schedule of charges and payable at the rate as specified in the schedule of charges published on the Bank’s website.

**“Prepayment”** means premature repayment of the Loan in full by the Borrower ahead of the repayment tenor specified in the schedule.

**“Prepayment Charges”** means charges levied by Bank for prepayment as specified in the Schedule.

**“Schedule”** means the Schedule appended to this Agreement or any amendments replacements hereto. Such amended schedule shall supersede the fees, rates and charges stated in the Schedule to this Agreement.

**“Loan”** means a term loan facility made available to the Borrower by the Bank under this Agreement.

1.2. In this Agreement unless the context otherwise requires:

- a) Reference to Articles are to be construed as references to the Articles of this Agreement and references to Schedules are to be construed as references to the Schedule to this Agreement and any supplementary or additional Schedule, from time to time executed by the parties and references to this Agreement include references to all such Schedules attached from time to time;
- b) References to a person shall be construed as including references to an individual, firm, the Bank or other body, whether incorporated or not;
- c) References to a “business day” shall be construed as a reference to a day (other than a Public Holiday or Sunday) on which Banks are generally open for business in the place of execution of this Agreement specified in the Schedule; and
- d) Words importing the plural include the singular and vice-versa.

1.3. Article Headings are inserted for sake of convenience only and shall not affect the interpretation of the provision thereof.

## Article II

### Loan, Interest, etc.

2.1. **Amount of Loan.** Relying on the representations, covenants and undertaking to the Borrower set forth herein the Bank agrees to lend to the Borrower a sum stated in the Schedule to this Agreement.

2.2. **Purpose of Loan.** The purpose of the loan is stated in the Schedule hereto.

2.3. **Interest.** The Interest Rate applicable on the Loan shall be stated in the Schedule hereto unless varied in terms of this Agreement. Interest on the Loan shall begin to accrue and become payable from the date of disbursement of the Loan signified by issuance of disbursement pay order/ demand draft or otherwise, without the Bank concerning itself with the receipt of such disbursement by the beneficiary/ recipient and also with the realisation of such Pay order/ Demand Draft or the time taken in such realisation.

2.4. **Computation of Interest.** Interest on the Loan shall be computed and debited to the loan account :-

- i. on the day mentioned in the Schedule;
- ii. Taking the basis of number of days in the year (365 or 366 as the case may be) and calculated at monthly rests; and
- iii. At the Interest Rate stated in the Schedule or as may be revised by the Bank from time to time.

The Floating Rate shall be reviewed by the Bank from time to time on the Interest Rate reset dates mentioned in the Schedule. In case of Floating Rate, upon any change in Interest Rate or if the Borrower makes prepayment, then either the EMI or loan tenor will change, at the discretion of the Bank.

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## 2.5. Taxes

2.5.1 The Borrower hereby agrees to comply with the below stated tax related conditions (below tax clauses are applicable to client in India)

### Direct Taxes:

- (i) All Deutsche Bank A.G. branches in India (hereinafter referred to as 'DBAG India' / 'DB') hold annual withholding tax ('WHT') exemption certificate, issued by the Indian Revenue Authorities (IRA) under section 195(3) of the Income Tax Act, 1961. The WHT exemption certificate is applicable to all sums received by DBAG India only on its own account and not on the account of any Deutsche Bank Branch outside India. It is hereby confirmed that the amounts received/ receivable by DBAG India under this agreement/ letter is on account of DBAG India/ DB. The WHT exemption certificate entitles DBAG India to receive any sum without any deduction of tax at source. In view of the aforesaid the Borrower confirms that it shall not deduct/ withhold tax on payments to DBAG India. A copy of the certificate will be available on request.
- (ii) For subsequent year (s), DB would hand over the WHT exemption certificate as soon as it is received from IRA. If such certificate is not received by the Borrower for the subsequent years, the Borrower, before making payment to DB, shall seek requisite clarification from DB on the WHT exemption certificate status and also ask for the copy of the WHT exemption certificate.

In the event DB is unable to provide such renewed WHT exemption certificate to the Borrower the Borrower shall make that Tax deduction and deliver to DB a tax deduction certificate in the format prescribed under the Income Tax Rules, 1962 (Rules) and within the timelines prescribed under the Rules.

Where the amount to be paid by the borrower is recovered by DB through debit to the borrower's bank account with DB, DB will reimburse the borrower the TDS amount that would be deposited by the borrower, once borrower submit the evidence of TDS amount deposited against DBAG's PAN number. In such case borrower to deliver the TDS certificate immediately post uploading the quarterly TDS statement

- (iii) If the Borrower wherever required,
  - a. fails to withhold and/ or deposit required tax withheld or
  - b. fails to deliver the tax deduction certificate within timelines prescribed under the Income Tax Act, 1961 and Rules there under to DB or
  - c. if the credit of taxes withheld is not appearing online to the credit of DB on the relevant official website of the tax department, the Borrower shall correct this within 30 days from the date of intimation by DB.
- (iv) In case the failure as per above clause (iii) is not corrected by the Borrower within 30 days, the Borrower shall, forthwith on demand from DB or within the timelines as agreed between the parties to this Agreement, promptly indemnify DB against the loss, charge, expense, penalty along with interest incurred or to be incurred by DB in connection therewith.
- (v) The Permanent Account Number (PAN) of DB is AAACD1390F.

### Indirect Taxes:

- (i) All amounts (including but not limited to break cost, processing fee or any other fee and expenses including out of pocket expenses reimbursable to DB) due to DB from the Borrower shall be deemed to be exclusive of any Indirect Tax.
- (ii) If any Indirect Tax is applicable on the supply by DB to the Borrower under this Agreement/ Letter or if DB is required to make payment of Indirect Tax on such supply, DB shall recover from the Borrower such amount of Indirect Tax along with the amount due under this Agreement/ Letter through issuance of a Tax Invoice/ Debit Note and the Borrower shall pay DB such Indirect Tax over and above the amount due to DB, referred at (i) above.
- (iii) DB would issue credit note in case of any downward revision in value or other changes as allowed under GST law. Separately, in case borrower identifies any specific points which require an issue of credit note as permitted under GST law, borrower

would need to inform DB on or before September of the next financial year to which the invoice pertains as per timelines provided under GST law.

- (iv) The Borrower undertakes to provide GSTIN, the address to which Tax Invoice is to be issued, GSTIN certificate and such other information/ documents, as may be required by DB, to adhere to statutory compliances as applicable under Tax Law for issuing Tax Invoice. DB shall not be responsible for verification of GSTIN provided by the Borrower. In case the details provided by the Borrower are incorrect owing to which DB is again required to deposit tax, along interest or penalty (considering the correct GSTIN), then, DB will recover such tax, interest, and penalty from borrower to deposit the same to proper GST authority along with applicable GST.
- (v) If the Borrower fails to provide the GSTIN to DB before the Tax Invoice is issued, the Borrower shall be treated as 'unregistered' and no adjustment pertaining to Tax Invoice already issued will be carried out subsequently. GSTIN provided by Client will be considered only for the invoices issued from the date of provision of GSTIN by Client.
- (vi) Both parties acknowledge and agree that in the event of any enquiry, scrutiny, audit, assessment or any other proceedings initiated by Tax authorities, both parties shall fully co-operate with each other by furnishing the relevant information related to the service provided under this Agreement in reasonable time, as may be required by any of the party.

**"Tax"** means all forms of present and future taxes, including but not limited to (1) Direct Taxes on income including tax deducted at source (referred to as TDS or WHT) and (2) Indirect Tax which includes Goods and Service Tax (GST) or any other tax of similar nature and any interest, additional taxation, penalty, surcharge or fine in connection therewith and "Taxes" shall be construed accordingly.

**"Tax Laws"** means the prevalent Tax laws and rules thereunder, or any amendments thereto, in India at the Central, State or Municipal/ local level.

#### **2.6. Fees, Charges, Costs and Claims.**

All fees, charges and costs including administrative fees, transaction fees, charges towards issuance of duplicate statement/ s, etc. payable in connection with the loan and as specified in the Schedule shall be to the Borrower's account. The other Bank's standard schedule of charges shall be reimbursable by the Borrower to the Bank separately. The Bank, reserves the right to fees, charges, etc and such revision shall be communicated to the Borrower. Such revised fees, charges, and costs shall be communicated in the Bank's standard schedule of charges displayed on the Bank's website and at branches of the Bank and the same shall be applicable from the effective date mentioned therein.

#### **2.7. Penal Charges**

The Bank will be entitled to recover the Penal Charges together with taxes as applicable. The Bank shall not charge any interest on the Penal Charges payable, however the Bank shall be entitled to recover from the Borrower/ Guarantor, Penal Charges whenever due either as part of the repayment or separately. No notice, reminder or intimation shall be given to the Borrower/ Guarantor in this regard.

#### **2.8. Revision in Interest Rate**

The Bank, may, in its sole discretion in keeping with its internal policies or regulatory requirements), revise the Interest Rate on the Loan, after notifying the Borrower. Revision in Interest Rates shall be prospectively applicable.

#### **2.9. Mode of Disbursement and Disbursal Schedule.**

The Bank may disburse the Loan either in lump sum or in suitable installments as decided by the Bank with reference to the need or progress of project / construction, which decision shall be final and binding on the Borrower.

Loan funds will be disbursed based on the borrower's instructions given through the disbursal request letter that forms a part of this agreement, unless otherwise agreed mutually between the bank and the borrower in writing.

- a. Loan funds will be disbursed to the borrower's account or to a designated third party as advised by the borrower.
- b. For the purchase of property, the loan amount will be disbursed directly to the property seller, builder, developer, or any other authority involved in the property purchase.
- c. In the case of a loan takeover from another financial institution or for closure of existing loan with (Deutsche) bank, the loan funds will be disbursed directly to the financier.
- d. For under-construction properties, the disbursal will be linked to the stage of construction as evaluated by the bank or its authorized agents and will be in line with the bank's credit policy.

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- e. The remaining balance (if any) will be disbursed to the borrower or any other entity/ individual once all required documents, including property title papers (where due), have been submitted and all post-disbursal conditions have been met as per the bank's requirements.

#### **2.10. Repayment.**

The Loan (including the principal, interest thereon and any other charges, premium, fees, taxes levies or other dues payable by the Borrower to the Bank in terms of this Agreement) shall be repayable by the Borrower to the Bank:

- (i) At the Branch (or at any other branch of Bank or at any other place as may be notified by the Bank);
- (ii) By way of EMI mentioned in the Schedule towards repayment of principal and interest; and
- (iii) By separate repayments in case of:
  - a. Prepayment;
  - b. repayment of Loan, fees, charges including Penal Charges, taxes, claims, costs, interest, any other statutory levies or cess or expenses charged to the Loan account. ; or

The Borrower shall issue SI or authorise payment to the Bank through ECS (NACH) approved by the Reserve Bank of India from the bank in which the Borrower has an account with specific instructions to debit the account of the Borrower every month and credit such account as directed by the Bank, for value of the EMI due. All repayments of principal and payment of interest and all other amounts by way of EMI or otherwise shall be given effect to in the loan account (only upon realisation of cheque/ demand drafts ECS (NACH)/ SI) in accordance with the method of effecting payment as stated in the Schedule or as adopted by the Bank from time to time. If the Borrower(s) desire to swap/ interchange the ECS (NACH)/ SI from one bank to another by any reason whatsoever, the Borrower may with prior written permission of the Bank, do so by paying to the Bank such swap charges as set out in the Schedule or as amended by the Bank from time to time.

#### **2.11. Prepayment.**

At any time after a period of nine (9) months from the date of disbursement, the Borrower shall be entitled to prepay the Loan, in full, as per rules of the Bank, including as to payment of Prepayment Charges, for the time being in force. If at any time, the Bank receives less than the full amount then due and payable to it under this Agreement, the Bank may allocate and apply the amount received in any way or manner and for such purpose or purposes under this Agreement as the Bank in its sole discretion determines, notwithstanding any instruction that the Borrower may give to the contrary.

### **Article III**

#### **Representations and Warranties**

##### **3.1 Representations and Warranties.**

The Borrower hereby makes the following representations, warranties and undertakings in order to induce the Bank to grant the Loan:

- (i) This Agreement has been duly authorised, executed and delivered by the Borrower and constitutes a valid, binding and enforceable obligation, enforceable against the Borrower in accordance with its terms.
- (ii) The information provided in the Application for the Loan and set out herein is complete and true in all respects.
- (iii) There are no pending claims, demands, litigation or liquidation proceedings against the Borrower which impair or materially affect the ability of the Borrower to perform its obligations under this Agreement.
- (iv) The Loan is required for the purpose stated in the Schedule hereto and the Borrower shall utilise the Loan for such purpose only. The Borrower undertakes to submit requisite proof to the Bank as and when required by it.
- (v) Neither the execution and delivery by the Borrower of this Agreement nor the performance by of the obligations under this Agreement conflicts or shall conflict with or result in any breach of any of the terms, conditions or provisions of, or violate or constitute a default or require any consent under any contract or instrument to which the Borrower is a party or any statute, any applicable laws, rules or regulations or any judgement, decree or order of any court, governmental authority, bureau or agency binding on or applicable to the Borrower or in case of a company/ firm/ body corporate, the constitutional documents of the Borrower.
- (vi) In case of Borrower being a company, it has not taken any corporate action nor have any other steps been taken or legal proceedings been commenced or to the best of its knowledge and belief, threatened against the Borrower for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer in respect of the Borrower or any or all of its assets or revenues.
- (vii) In case of Borrower being a partnership firm, no disputes exist between the partners or between present partners and, legal heirs of deceased partners for, dissolution or accounts of the firm and no proceedings have been commenced against the

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Borrower or any of its partners for dissolution of the firm or appointment of a receiver or trustee in respect of all or any part of its assets or revenues.

- (viii) The Borrower has exercised due care and caution (including, where necessary, obtaining advice of tax/ legal accounting/ financial/ other professionals) prior to taking of the decision, acting or omitting to act, in respect of availing the Loan.
- (ix) The Borrower represents and warrants that it is not in arrears of any public demand such as income tax, corporate tax and any other such taxes, rates or levies or any other statutory dues payable to any government authority;
- (x) The Borrower (in case of a company) hereby declares and confirms that any of its directors or shareholders or employees are not (i) a director of a banking company, or (ii) relative of a director of the Bank. Further, the Borrower also declares and confirms that none of its directors or shareholders or employees are a "relative" of a "senior officers" of the Bank. The Borrower undertake to promptly inform the Bank upon any of the above declarations becoming untrue (along with the details of the change). The scope of the term 'relative' and 'senior officer' are mentioned below. The term 'banking company' has the meaning given to it under the Banking Regulation Act, 1949.
  - a. The scope of the term 'relative' will include spouse, father, mother (including step-mother), son (including stepson), son's wife, daughter (including step-daughter), daughter's husband, brother (including step-brother), brother's wife, sister (including step-sister), sister's husband, brother (including step-brother) of the spouse, sister (including step-sister) of the spouse.
  - b. The term 'Senior Officer' will refer to a) any officer in senior management level in Grade IV and above in a nationalised bank, and b) any officer in equivalent scale in the State Bank of India and associate banks and in any banking company incorporated in India
- (xi) The Borrower irrevocably agrees and expressly consent to the Bank at any time, to disclose to or share with or in any other manner make available to, its head office and any branch, an affiliate entity, associate agent or representative of the Bank, auditors, professional advisors, credit rating agency or any other person to whom the Bank intends to or has transferred or assigned the whole or part of the Loan. If the Borrower defaults in its obligations under any document or instrument related to the Loan, then DB and/ or the RBI will have an unqualified right to disclose or publish the details of such default and the name of the Borrower (including its directors) as the case may be, as defaulters, in such manner and through such medium as DB or the RBI, subject to applicable law, thinks fit.
- (xii) The Borrower agrees and undertakes that it shall utilise the Loan only for the purposes specified by the Bank in writing and as permitted under applicable laws, rules, regulations guidelines and circulars issued by regulators time to time ("applicable laws"). For this purpose the Borrower shall, upon a reasonable notice, allow the Bank (or any auditors appointed by the Bank), to audit its book of accounts and other relevant documents as deemed fit by the Bank. The Borrower also recognises that Reserve Bank of India also reserves the right to audit the books of account and other relevant records, of the Borrower to ensure compliances with all applicable laws. The Borrower also undertakes to provide (at its own costs) such certificates and confirmations, either by itself or through its auditors, as required by the Bank from time to time. The Borrower recognises that such steps are necessary for compliance with applicable laws and any demur, delay, protest or failure in complying with these requirements shall result in revocation and recall of the said Loan without any notice.
- (xiii) The Borrower agrees that it or its directors/ partners/ promoters/ Guarantors/ Affiliates are not on the caution or defaulter or warning list(s) published by RBI, Securities and Exchange Board of India, any department or instrumentality of Government of India, government (or regulators) of any other sovereign state or international bodies.

### 3.2 Reliance.

The Bank has entered into this Agreement in reliance of the representations, warranties and undertakings of the Borrower set out herein. These representations and warranties are true and correct in all material respects on and as of the date of this Agreement and with the same effect shall be repeated on the date of each disbursement of the Loan as if those representations and warranties had been made on and as of the date of this Agreement.

3.3 The Borrower and the Guarantor will not directly or indirectly use the proceeds of the offering of the securities/ Facility hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity

- (i) to fund or facilitate any activities of or business with any individual or entity ("Person") that, at the time of such funding or facilitation, is (collectively, a "Sanction Target"):
  - a. the subject or the target of any sanctions or trade embargos administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council ("UNSC"), the European Union ("EU"), Her Majesty's Treasury ("HMT"), Hong Kong Monetary Authority ("HKMA"), the Monetary Authority of Singapore ("MAS") or any other applicable sanctions regulation, (collectively, "Sanctions"), or

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- b. owned 50% or more by or otherwise controlled by, or acting on behalf of one or more Persons referenced in clause (A) above, or
  - c. located, organised or resident in a country or territory that is the subject or the target of Sanctions (including but not limited to, Iran, North Korea, Sudan, the Crimea region in Ukraine, and Syria) (each, a "Sanctioned Country"),
- (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or
- (iii) in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as initial purchaser, advisor, investor or otherwise) of Sanctions.
- 3.4 None of the Borrower, the Guarantor or any of their subsidiaries, nor, to the best of their knowledge, any director, officer, employee, agent, controlled affiliate, or other person acting on behalf, at the direction or in the interest of the Borrower, or the Guarantor or any of their subsidiaries is a Person that is a Sanction Target.
- 3.5 None of the Borrower or any Guarantor has or intends to have any business operations or other dealings
- i. in any Sanctioned Country, including the Crimea region in Ukraine, Iran, Sudan, North Korea and Syria,
  - ii. with any Specially Designated National ("SDN") on OFAC's SDN list or with a designated person targeted by asset freeze sanctions imposed by the UN, EU or HMT or any other applicable sanctions authority.
- 3.6 The Borrower and the Guarantor has/ have instituted and maintain(s) policies and procedures designed to prevent sanctions violations (by such Issuer and Guarantor and their Subsidiaries and by persons associated with such Issuer and Guarantor and their Subsidiaries).
- 3.7 The Borrower and the Guarantor neither know nor have reason to believe that any of them are or may become subject of sanctions-related investigations or juridical proceedings.
- 3.8 The clauses under [Sanctions-related clauses] apply only if and to the extent that they do not result in a violation of the Council Regulation (EC) No. 2271/ 96 of 22 November 1996 as amended by Commission Delegated Regulation (EU) 2018/ 1100 of 6 June 2018, section 7 of the German Foreign Trade Ordinance (Außenwirtschaftsverordnung - AWV) or any other applicable anti-boycott or similar laws or regulations.
- 3.9 The Borrower agrees that no notice, reminder or intimation shall be given to the Borrower regarding the Borrower's obligation and responsibility to ensure prompt and regular repayment of Loan.

## Article IV

### Conditions Precedent to Disbursement

- 4.1 The Bank may not disburse at any time, any amount under the Loan unless the following conditions are complied with in the sole discretion of the Bank:
- (i) This Agreement is duly executed and delivered to the Bank by the Borrower.
  - (ii) In case of an individual, the Borrower submits to the satisfaction of the Bank a certificate of employment from his Employer and his Financial Statements.
  - (iii) The Borrower submits to the Bank, ECS (NACH)/ SI towards EMIs.
  - (iv) The Borrower submits to the Bank any other documents or writing as the Bank may require in its sole discretion.
  - (v) The Borrowers, in case of a company/ body corporate/ submits to the Bank certified true copy of the Memorandum and Articles of Association of the Borrower, and certified true copy of resolution passed by its board of directors in a duly convened meeting for obtaining the Loan and authorising person/ s to execute all documents in respect thereof, including providing certified specimen signature list of the authorised signatory(ies) of the Borrower. Further, the Borrower submits a certified true copy of the resolution passed by the shareholders of the Borrower under and in accordance with sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013, if required.  
In case of a firm, the Borrower submits to the Bank an authority letter, authorising one or more partners to avail of the Loan and execute all documents in respect thereof, including providing certified specimen signature/ s of such partner/ s.
  - (vi) No event of default shall have occurred at the date of disbursement of the Loan.
  - (vii) The Borrower shall have produced evidence of the utilisation of the Loan or any part disbursement of the Loan.
  - (viii) The Borrower shall have produced the Borrower's periodic financial statements.

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## Article V

### Covenants of the Borrower

#### 5.1 Bank's Rules and Regulations.

The Borrower shall comply with and be bound by the Bank's rules and charges, which may change at the Bank's discretion from time to time. Save for manifest error, the Borrower shall accept the statement of account by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any amounts claimed to be due to the Bank under or in relation to the Loan.

#### 5.2 Information Requirement.

The Borrower shall provide the following information to the Bank:

- (i) In case the Borrower is a company/ firm/ body corporate, its periodic financial statement (audited or unaudited) or such other financial information about the financial condition of the Borrower as the Bank may require from time to time;
- (ii) In case of individuals, information and documents concerning Borrower's employment, profession, business or utilisation of Loan as the Bank may require from time to time;
- (iii) Information regarding likely change in Borrower's employment/ professional status, address, citizenship or residency status, etc.
- (iv) In case of Borrower being a partnership firm, information regarding the death, retirement or permanent disability of any of the partner/ s or any change in the constitution of the partnership firm; and
- (v) Such other information regarding the Borrower, Borrower's financial status and/ or utilisation of Loan proceeds, as the Bank may request from time to time.

#### 5.3 Change in Status.

The Borrower shall, in case the Borrower is a company/ firm/ body corporate, notify the Bank at least 30 days in advance of any intended a) change in its business, constitution or constitution documents or b) closure of its business or c) change in address.

#### 5.4 Compliance with rules and regulations.

The Borrower shall duly and punctually comply with all applicable laws and regulations.

#### 5.5 Insurance.

The Borrower shall comprehensively insure and keep insured the risk of death and injury of the Borrower up to the value as advised by the Bank. Upon demand, the Borrower shall assign the insurance policies in favour of the Bank and submit to the Bank the aforesaid original insurance policy document(s) and premium/ payment receipts. The Borrower shall do all acts and deeds as may be required to maintain the Bank's status as sole beneficiary under the said insurance policies and to receive money there under in case of any claims whatsoever.

#### 5.6 Joint and Several Liability.

In case of more than one Borrower, each Borrower shall be jointly and severally liable to repay the Loan together with interest, fees, charges and all other sums due and payable under this Agreement and to observe the terms and conditions of this Agreement.

#### 5.7 Stamp Duty and Other Statutory Charges.

The Borrower shall be responsible to bear and pay the stamp duty as well as all other statutory charges arising on account of the Loan including stamp duty and registration charges on this Agreement as well as on all other instruments executed in relation to the Loan.

#### 5.8 Bank's Right to Inspect.

The Borrower agrees that the Bank or any person authorised by the Bank shall have free access to the financial records of the Borrower for the purpose of examining the ability of Borrower to repay the Loan or ascertaining the proper utilisation of the Loan.

#### 5.9 Bank's Rights.

The Bank shall have a right:

- (i) In the event it is unwilling to continue the Loan on account of regulatory or other reasons, at any time during the tenure of this Agreement, to recall the entire or part of the Loan without assigning any reason;
- (ii) To revise/ re-schedule the repayment terms/ amount of EMI or any other amounts outstanding there under and the Borrower shall make all future repayments to the Bank according to such revised Schedule on being notified by the Bank of such revision or re-scheduling;

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Initials of the Borrower and Guarantor(s)

- (iii) In the event it is unwilling to continue the Loan on account of regulatory or other reasons, at any time during the tenure of this Agreement, to recall the entire or part of the Loan without assigning any reason;
- (iv) To revise/ re-schedule the repayment terms/ amount of EMI or any other amounts outstanding there under and the Borrower shall make all future repayments to the Bank according to such revised Schedule on being notified by the Bank of such revision or re-scheduling;
- (v) At any time or from time to time to amend/ revise any of the terms and conditions of this Agreement including but not limited to revision of Interest Rate (including the Penal Charges , change in EMI for the Floating Rate Loans), periodicity of compounding of Interest, method of effecting credit of repayments, etc. without assigning any reason and notify such change/ revision to the Borrower. The Borrower will be bound by the change in Interest Rates or such amended terms and conditions as notified by the Bank and the Borrower agree/ s that such revision/ change shall become applicable from date of such revision in the records of the Bank;
- (vi) To receive and adjust any payment it may receive as an assignee of the insurance policy of the Borrower towards the amounts due and/ or payable by the Borrower under this Agreement (including principal, interest, fees, charges, expenses, etc.) in the manner and order it deems fit;
- (vii) Without prejudice to the right of the Bank, to appoint one or more third parties as the Bank may select and to delegate to such third party all or any of its functions, rights and powers under this Agreement relating to the administration of the Loan including the right and authority to collect and receive on behalf of the Bank from the Borrower all due and unpaid EMIs and other amounts due by the Borrower under this Agreement and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto including sending notices, contacting the Borrower, receiving cash/ cheques/ drafts/ mandates from the Borrower and giving valid and effectual receipts and discharge to the Borrower. In the event of the Bank appointing an agent as aforesaid, the Bank shall be entitled to provide information held by the Bank in relation to the Borrower, the Guarantor and the Loan to such agent and the Borrower shall co-operate with such agent appointed by the Bank in the same manner as it would with the Bank in terms of this Agreement. Notwithstanding the above, in the event of any default by the Borrower, the Borrower expressly accepts and authorises the Bank (and/ or any such third party as the Bank may select) to contact third parties (including the family members of the holder and disclose all necessary or relevant information pertaining to the Borrower and the Loan and the Borrower hereby consents to such disclosure by the Bank (and/ or any such third party as the Bank may select).
- (viii) To disclose any information about the Borrower, his/ their account relationship with the Bank and/ or any default committed by him/ them in repayment of amounts (whether such information is provided by the Borrower or obtained by the Bank itself and whether in form of conduct, rating or defaults) to its head office, other branch offices, affiliated entities, Reserve Bank of India, other banks, institutions, CIBIL (Credit Information Bureau (India) Ltd), its auditors any refinancing agency and such third parties including rating agencies as the Bank may in its sole and exclusive discretion, deem fit and proper. The Bank shall also be entitled to seek and receive any information as it deems fit in connection with the Loan and/ or the Borrower from any third party. The Credit Information Bureau (India) Ltd. and any other agency so authorised may furnish 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; and
- (ix) In case the Borrower is an individual, to require the Borrower, in the event of the Borrower opting to resign or retire from the employment prior to the age of superannuation or being discharged or removed from service before such date for any reason whatsoever, to instruct his employer to remit the entire dues or termination benefits (including compensation) becoming payable by the Borrower from his/ their employer on account of his such cessation of employment and to receive and appropriate the same towards the Borrower's liability under the Loan.
- (x) Have the right, at its discretion, to demand all residual charges including but not limited to any Penal Charges , fees, late payment charges, costs, etc., remaining unpaid by the Borrower, on maturity of the Loan; and
- (xi) To determine any shortfall in payment of outstanding amounts in respect of the Loan as a 'marginal shortfall amount' such that non-payment or part-payment of such marginal shortfall amount would not constitute an event of default under this Agreement, however, determination of any amount as marginal shortfall amount shall not constitute a waiver of any of the Bank's rights in respect of such marginal shortfall amount. Such marginal shortfall amounts shall be due and payable at the time of maturity of the Loan if not paid during the tenor of the Loan. The Bank may also consider not reporting such non-payment of marginal shortfall amount as delinquent to any credit bureau or in internal records.

#### 5.10 Negative Covenants.

The Borrower shall not: (i) during the tenure of this Agreement, avail of or obtain any further loan or facility without the prior written consent of the Bank; (ii) stand surety or as Guarantor for any third party liability or obligation.

5.11 The Borrower shall carry on their business efficiently and shall furnish to the Bank and verify all statements, reports, accounts, documents and do all things which the Bank may reasonably require to give effect to these presents.

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Initials of the Borrower and Guarantor(s)

- 5.12 That all sums received under any such insurance as aforesaid shall be applied in or towards the liquidation of the balance due to the bank for the time being, and in the event of there being a surplus the same shall be applied as provided by clause 10 hereof.
- 5.13 On demand by the Bank, the Borrower shall pay to the Bank, the balance then due to the Bank under the said facilities together with all interest/ commission at the rate aforementioned and the amount of all charges and expenses (if any) up to the date of payment, provided nothing contained in this clause shall be deemed to prevent the Bank from demanding payment of the balance due to the Bank exclusive of such interest.
- 5.14 The Borrower agrees to accept as conclusive proof of the correctness of any sum claimed to be due from them to the Bank under the Loan any statement of account made out in the name of the Bank and signed by a duly authorised officer of the Bank, without any production of any other voucher, document or paper.
- 5.15 Provided always that these presents shall not prejudice any rights or remedies of the Bank against the Borrowers irrespective and independent of these presents in respect of any other advance made or to be made by the Bank to the Borrower.
- 5.16 Any demand or notice to be made or given to the Bank may be made or given by leaving the same at or posting the same by registered post in any envelope addressed to its branch offices and to the Borrowers at their registered office and every such demand or notice shall be deemed to be received as the case may be at the time at which it is left or at the time at which it would have been delivered in the ordinary course of post at the registered office or branch office in question.
- 5.17 The Borrowers shall pay on demand to the Bank the costs (between advocate and client) incurred by them or any of them in connection with the preparation, engrossment and stamping in duplicate and execution of these presents.

#### **5.18 Security:**

Any security(ies) furnished by the Borrower, under any other agreement entered into or to be entered into with the Bank, shall be deemed to be the security(ies) under this Agreement. The Borrower agrees that the security(ies) offered in respect of the Loan shall be deemed to be continuing security(ies) in respect of other loan(s)/ facility(ies) obtained/ to be obtained by the Borrower from the Bank and shall not be discharged till such time all the loan(s)/ facility(ies) are fully discharged to the satisfaction of the Bank.

#### **5.19 Credit risk profile:**

The borrower shall maintain his individual and business credit profile in good order and ensure that it does not deteriorate. Bank may re-evaluate credit profile of the customer, from time to time, and if the Bank witnesses any deterioration in credit profile as per the internal norms, then it may increase the premium charged to the borrower as per its board approved policy in this regard. Such additional interest rate shall be charged to the Borrower's loan account on the specific date thereof and shall be deemed to form part of the outstanding. Such change will be intimated to the customer.

## **Article VI**

### **Events of Default**

The Bank may, by a written notice to the Borrower, declare all sums outstanding under the Loan (including the principal, interest, fees, charges, expenses, etc.) to have become due and payable forthwith upon the occurrence (in the sole decision of the Bank) of any one or more of the following events:-

- i. The Borrower fails to pay to the Bank any amount when due and payable under this Agreement or any other agreement or the NACH/ ECS/ SI is cancelled/ withdrawn for any reason whatsoever;
- ii. The Borrower fails to pay to any person other than the Bank any amount when due and payable or any person other than the Bank demands repayment of the loan or dues or liability of the Borrower to such person ahead of its repayment terms as previously agreed between such person and the Borrower;
- iii. The Borrower defaults in performing any of the Borrower's obligations under this Agreement or breaches any of the terms or conditions of this Agreement;
- iv. In case the Borrower is an individual, the Borrower opts to sell, restructure his business or ceases or threatens to cease to carry on his business.
- v. Any information provided by the Borrower to avail the Loan or any representations or warranties herein expressed are found to be incorrect or misleading;
- vi. If there is reasonable apprehension that the Borrower is unable to pay debts due to any person other than the Bank or any creditor has commenced proceedings to declare the Borrower insolvent or bankrupt or if the Borrower shall become bankrupt or insolvent or commit act of insolvency or initiate any proceedings for being declared bankrupt;
- vii. The borrower fails to create the security as per the demand of the Bank or give NACH/ ECS/ SI or submit additional documents or submit requisite proof of end use of the loan amount to the Bank as provided herein;
- viii. In case of Borrower being an individual, the death or disability of the Borrower or if the Borrower becomes of unsound mind;

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Initials of the Borrower and Guarantor(s)

- ix. The Borrower, being a company/ partnership firm, takes threatened against the Borrower for its winding up, dissolution, administration or re-organisation or for the appointment of a liquidator, receiver, administrator, custodian, trustee or similar officer of it or of any or all of its revenues and/ or assets;
- x. Any governmental authority or any person acting or proposing to act under governmental authority takes any action to condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the properties of the Borrower, takes any action against the Borrower or takes any action to displace the management of the Borrower or to curtail its authority in the conduct of its business; or
- xi. The Borrower fails to furnish the financial statements or any other information requested by the Bank in terms of this Agreement.
- xii. Material adverse news reports/ Litigations against the borrower(s) that may have a material adverse effect on its functioning/ business operations.
- xiii. Any action is commenced or threatened against the Borrower that is likely to a diversely affect the Borrower in performing its obligations under this Agreement.
- xiv. The Bank shall conduct a performance review of the Loan at such periods as may be decided by the Bank in accordance with applicable laws and its internal policy. On such review, if the Bank is not satisfied with the performance of any Loan, the Bank reserves the right to require the Borrower to repay all or part of such Loan or all Loans.
- xv. The Borrower fails to pay any amount when due and payable on other loans/ facilities availed from the bank or any other financial institution.
- xvi. Deterioration in the business activities of the borrower or general industry/ segment that the borrower's business is a part of
- xvii. Decline in performance of the borrower on credit facilities or decline in score as reported by Credit Information companies.
- xviii. The Borrower fails to submit end use documents, or any other document required by the Bank from time to time
- xix. Make any change in the constitution, management or existing ownership or control or share capital or enter into any arrangement of merger, acquisitions, or sale of any of its undertaking (s) without the prior written consent of the Bank, in case the Borrower is a company; or
- xx. Dissolve or admit new partners in the partnership without prior written consent from the Bank, in case the Borrower is a partnership firm.

The above events may also result in deterioration in credit profile and could result in increase in the premium charged.

It is hereby agreed between the parties that in the event of the default by the Borrower, the Guarantor should be liable to pay any tax on assets, securities, loan or any other charges arising in relation to this Agreement which otherwise would have been payable by Borrower.

## 6.2 Bank's Remedies.

Upon occurrence of an event of default, the Bank shall be entitled:

- i. To initiate and adopt civil and criminal proceedings against the Borrower/ Guarantor for recovery of its dues; and
- ii. To disclose information pertaining to/ relating to the Borrower to the Reserve Bank of India, Credit Information Bureau (India) Ltd, any other credit bureau or third parties as deemed necessary by the Bank in its sole discretion.
- iii. To charge additional interest rate above the prevailing interest rate charged on the loan. Such additional interest rate shall be charged/ debited to the Borrower's loan account on the specific date thereof and shall be deemed to form part of the outstanding. Such interest and other amounts shall, accordingly attract interest at the same rate as charged on the Loan in terms of this Agreement until payment thereof to the Bank to its satisfaction.

6.3 Expenses of Preservation of Assets of the Borrower and of Collection. All reasonable costs incurred by the Bank after an event of default has occurred in connection with collection of amounts due under this Agreement, may be charged to the Borrower and reimbursed, as the Bank shall specify.

## Article VII

### Assignment and Transfer

7.1 The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) the whole or part of the Loan and outstanding amounts under the Loan and/ or any other rights under this Agreement or any other document pursuant hereto to any

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Initials of the Borrower and Guarantor(s)

person including a non-individual entity in such manner or upon such terms and conditions as the Bank may decide in its sole discretion and without giving notice thereof to the Borrower.

7.2 The Borrower expressly agrees, in the event of being notified of any sale, assignment or transfer as aforesaid, to accept such person to whom the Loan is sold, assigned or transferred as his lender and make the repayment of the Loan together with all interest, fees, charges and expenses due under this Agreement to such person as may be directed by the Bank.

## Article VIII Miscellaneous

### 8.1 Waiver.

The Parties agree that any delay or omission by the Bank in exercising any of its rights, powers or remedies as the lender of the Loan under this Agreement and other documents pursuant hereto shall not impair the right, power or remedy or be construed as its waiver or acquiescence by the Bank.

### 8.2 Entire Agreement.

The Parties confirm that this Agreement and its Schedule and any other documentation pursuant to it represent one single agreement between the Parties. This Agreement supercedes all prior discussions and representations between the parties, including the Bank brochure, save with respect to the obligations of and representations made by the Borrower to the Bank set forth in any correspondence, application forms or otherwise made or agreed to be made howsoever.

### 8.3 Governing Laws and Jurisdiction.

Laws of India shall govern this Agreement and other documentation pursuant hereto and Courts or Tribunals having jurisdiction where the Branch is situated shall have exclusive jurisdiction over all aspects governing the interpretation and enforcement of this Agreement and other documentation executed pursuant hereto.

### 8.4 Notice.

The addresses of the parties shall be as mentioned in the Schedule. The Borrower shall forthwith inform the Bank of any change in the Borrower's address. Any notice or request required or permitted under this Agreement to be given by either party to the other shall be only in writing and sent on the address of the other party as mentioned in the Schedule (or in case to the Borrower, on the address of the Borrower last known to the Bank) :-

- (i) If given by the Bank, may be given by personal delivery, fax or by post and shall be deemed to have been served upon or received by the Borrower. If given by personal delivery, when so delivered and if by post on the expiration of 3 days after the same has been delivered to the post office for onward transmission to the Borrower under certificate of posting; and
- (ii) If given by the Borrower to the Bank when it is actually received by them.

### 8.5 Set Off.

The Borrower hereby authorise the Bank to apply any credit balance to which the Borrower may be entitled under any loan/ facility(ies), in satisfaction of any sum due and payable herein but remaining unpaid. In case of any event of default, without prejudice to any other right of the Bank provided herein, the Bank shall be entitled to set off its dues against any monies in its possession/ control and due from it to the Borrower whether by way of deposits or otherwise.

### 8.6 Amendment.

The Schedules hereto and any amendments thereof shall be deemed to be part of this Agreement as if the provisions thereof were set out herein in extension. Any modification/ revision of this Agreement/ Schedules shall be in writing and signed by both parties. Such writing shall thereafter form an integral part of this Agreement.

### 8.7 Recovery policy.

The Bank is committed to its policy for collection/ recovery of dues, a latest copy of which is available on the Bank's website [www.deutschebank.co.in](http://www.deutschebank.co.in). The current version of the recover policy of the Bank is appended to this Agreement as Annexure A.

### 8.8 Grievance Redressal.

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Initials of the Borrower and Guarantor(s)

The Bank has a Grievance Redressal Mechanism in place to address any concerns related to this Loan Agreement or for any assistance required during the tenor of the loan. The Borrower may submit complaints through the Customer Service Helpline, email, postal address, or online complaint form provided by the Bank. The Bank is committed to resolving all complaints fairly and promptly, in accordance with its policies and within purview of regulatory guidelines.

The Borrower may submit their service requests, complaints or concerns through the following channels:

1. Customer Service Helpline : 1860 266 6660
2. Email : premium.care@db.com
3. Postal Address : PO Box 9095, Goregaon (East), Mumbai 400 063
4. Website : <https://www.deutschebank.co.in/en/connect-with-us/customer-feedback-new.html>

In case the Borrower is not satisfied with the resolution, they may escalate the issue to higher authorities within the Bank or approach the relevant regulatory body (viz. Banking Ombudsman), details of which are provided on the bank's website [www.deutschebank.co.in](http://www.deutschebank.co.in).

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Initials of the Borrower and Guarantor(s)

IN WITNESS OF THE AGREEMENT, THE PARTIES HERETO HAVE SIGNED HEREUNDER ON THE DAY, MONTH AND YEAR MENTIONED IN THE SCHEDULE TO THIS AGREEMENT

Signed and Delivered by the Borrower(s)

In case of Individuals:

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signed and Delivered by the Guarantor(s)

In case of Individuals:

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

Signed and delivered by Deutsche Bank AG

Through its authorised signatory (Name)	Signature



## Schedule

1	Place of Agreement	
2	Date of Agreement	
3	Name of the Borrower	1. 2. 3. 4. 5.
4	Address of the Borrower and for the purpose of service of Notice	1. 2. 3. 4. 5.
5	Guarantor (a) Name (b) Address	1. 2. 3. 4. 5.
6	Nature of Additional Security (if applicable)	
7	Address of the Branch office of the Bank for the purpose of service of Notices	
8	Loan Amount	Loan Amount Rs. _____ /- (Rupees _____ only)
9	Tenure	___ Months
10	Number of Installments	

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Signature(s) of the Borrower and Guarantor(s)

11	Frequency of Payment	Monthly
12	Value of Installments	All installments of Rs. _____/- (Rupees _____ _____ only) each
13	Proposed date when first installment is due	
13	Proposed date when last Instalment will be due	
14	Day on which interest will be charged to the account each month	____ TH
15	Documentation and Processing Fees	_____ + taxes as applicable
16	Penal Charges	I/ We am/ are aware that schedule of charges (as stated in the Most Important Terms and Conditions, which was acknowledged by me/ us at time of applying for the Loan) are amended from time to time and that the same can be accessed through the Bank's website i.e www.deutschebank.co.in
17	Prepayment Charges	
18	Charges for unsuccessful execution of Standing Instruction for payment/ ECS (NACH)	
19	Tax (applicable on fees and charges)	
20	ECS (NACH)/ SI swap charges	
21	Duplicate Statement issuance Charges	
22	Other charges	
23	Date of disbursal of the Loan amount or any part thereof	
24	Mode of payment a) NACH — Name of Drawee Bank b) SI — Letter of Standing Instruction — Name of Drawee Bank	
25	Purpose of the loan	
26	Interest Rate	The Interest Rate shall be linked to the Repo. "Repo" means policy Repo Rate published by the Reserve Bank of India (RBI), reference rate for lending to be charged in accordance with Reserve Bank of India's circular DBR.DIR.BC.No.14/13.03.00/2019-20 dated September 4 2019, as amended from time to time.  The Bank reserves the right to determine its actual lending rate on loans and advances, with reference to the Repo, by including a spread, as the Bank deems fit.  The spread over the Repo which shall be determined by the Bank taking into account factors like credit risk premium, business strategy cost, operating cost or any other parameter

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Initials of the Borrower and Guarantor(s)

		determined by the Bank from time to time. Deterioration in the credit risk profile may result in an increase in the spread.  Applicable Repo: Repo published on the last working day of the previous calendar month will be the applicable Benchmark rate for your Loan.
30	Repo	_____ %
31	Type of Interest Rate Fixed or Floating	
a	Fixed Rate of Interest	_____ %
b	Floating Rate of Interest	Repo + Spread _____ % = _____ %
	Frequency of review of the floating rate of interest.	Every quarter on 16th January 16th April, 16th July and 16th October
	First Reset Date	
32	Moratorium applicable ( Yes/ No) a. Interest Moratorium (no of month) Interest Moratorium start date Interest Moratorium end date b. Principal Moratorium (no of month) Principal Moratorium start date Principal Moratorium end date	

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Signature(s) of the Borrower and Guarantor(s)

IN WITNESS OF THE AGREEMENT, THE PARTIES HERETO HAVE SIGNED HEREUNDER ON THE DAY, MONTH AND YEAR MENTIONED IN THE SCHEDULE TO THIS AGREEMENT

Signed and Delivered by the Borrower(s)

In case of Individuals:

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

(NOTE: Affix Rubber Stamp of the Firm)

Signed and Delivered by the Guarantor(s)

In case of Individuals:

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

In case of Non-Individuals:

Name of enterprise	Through its authorised signatory	Signature

Signed and delivered by Deutsche Bank AG

Through its authorised signatory (Name)	Signature

## Annexure A

### Policy on Collection of Dues

#### 1. Introduction:

The debt collection policy of the Bank is built around dignity and respect to customers. Bank will not follow policies that are unduly coercive in collection of dues. The policy is built on courtesy, fair treatment and persuasion. The Bank believes in following fair practices with regard to collection of dues and thereby fostering customer confidence and long-term relationship. The repayment schedule for any loan sanctioned by the Bank will be fixed taking into account paying capacity and cash flow pattern of the Borrower. The Bank will explain to the customer upfront the method of calculation of interest and how the Equated Monthly Installments (EMI) or payments through any other mode of repayment will be appropriated against interest and principal due from the customers. The Bank would expect the customers to adhere to the repayment schedule agreed to and approach the Bank for assistance and guidance in case of genuine difficulty in meeting repayment obligations. All the practices adopted by the Bank for follow up and recovery of dues will be in consonance with the law.

#### 2. General Guidelines:

All the members of the staff or any person authorised to represent our Bank in collection would follow the guidelines set out below:

- (i) The customer would be contacted ordinarily at the place of his/ her choice and in the absence of any specified place, at the place of his/ her residence and if unavailable at his/ her residence, at the place of business/ occupation.
- (ii) Identity and authority of persons authorised to represent Bank for follow up and recovery of dues would be made known to the borrowers at the first instance. The Bank staff or any person authorised to represent the Bank in collection of dues will identify himself/ herself and display the authority letter issued by the Bank upon request.
- (iii) The Bank would respect privacy of its borrowers.
- (iv) The Bank is committed to ensure that all written and verbal communication with its Borrowers will be in simple business language and Bank will adopt civil manners for interaction with borrowers.
- (v) Normally the Bank's representatives will contact the Borrower between 0700 hrs and 1900 hrs, unless the special circumstance of his/ her business or occupation requires the Bank to contact at a different time.
- (vi) Borrower's requests to avoid calls at a particular time or at a particular place would be honored as far as possible.
- (vii) The Bank will document the efforts made for the recovery of dues and the copies of communication set to customers, if any, will be kept on record.
- (viii) All assistance will be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.
- (ix) Inappropriate occasions such as bereavement in the family or such other calamitous occasions will be avoided for making calls/ visits to collect dues.

#### 3. Giving notice to borrowers

While written communications, telephonic reminders or visits by the Bank's representatives to the borrowers place or residence will be used as loan follow up measures, the Bank will not initiate any legal or other recovery measures without giving due notice in writing. Bank will follow all such procedures as required under law for recovery of dues.

# DISBURSEMENT AUTHORISATION LETTER

To Manager,  
Deutsche Bank AG, India  
\_\_\_\_\_branch

Re: Authority Letter for Disbursement

- (i) Deutsche Bank AG, India (hereinafter referred to as "Bank") has vide offer letter dated \_\_\_\_\_ sanctioned a loan (hereinafter referred to as "Loan") to me/ us as per the details stated in the offer letter.
- (ii) Pursuant to the sanction of the Loan, I/ we have executed a loan agreement dated \_\_\_\_\_ ("Loan Agreement") with the Bank, which states the terms and conditions for disbursal of the Loan or part thereof to me/ us.
- (iii) In terms of the Loan Agreement, I/ we hereby authorise the Bank to issue banker's Pay Order, a demand draft, or effect credit to a designated bank account evidencing the disbursal of the Loan or parts thereof as per the details below.

## PAYMENT DETAILS:

The loan funds are to be used for medium/ long term working capital.

Since the payment destination is not identifiable and/ or involves payments to multiple parties over a period of time, I/ we request the disbursal to be made to my/ our CC/ OD account as under:

Payee Details	Amount Rs.

I/ we understand and acknowledge that in case the loan is disbursed either by a Demand Draft or Pay Order, the interest/ EMI is payable from the date of issuance of the said Demand Draft or Pay Order irrespective of the date of actual receipt of funds by me or on behalf of me/ ourselves by the developer, seller or any other bank and financial institution.

I/ we undertake not to dispute or contest this at any point of time.

Name and Signature (Affix seal as applicable)

Date: \_\_\_\_\_

# DISBURSEMENT AUTHORISATION LETTER

To Manager,  
Deutsche Bank AG, India  
\_\_\_\_\_branch

Re: Authority Letter for Disbursement

- (i) Deutsche Bank AG, India (hereinafter referred to as "Bank") has vide offer letter dated \_\_\_\_\_ sanctioned a loan (hereinafter referred to as "Loan") to me/ us as per the details stated in the offer letter.
- (ii) Pursuant to the sanction of the Loan, I/ we have executed a loan agreement dated \_\_\_\_\_ ("Loan Agreement") with the Bank, which states the terms and conditions for disbursal of the Loan or part thereof to me/ us.
- (iii) In terms of the Loan Agreement, I/ we hereby authorise the Bank to issue banker's Pay Order, a demand draft, or effect credit to a designated bank account evidencing the disbursal of the Loan or parts thereof as per the details below.

## PAYMENT DETAILS:

When payment is favoring a third party or is a refinance (please add multiple payees as required).

Payee Details	Amount Rs.

I/ We understand and acknowledge that in case the loan is disbursed either by a Demand Draft or Pay Order, the interest/ EMI is payable from the date of issuance of the said Demand Draft or Pay Order irrespective of the date of actual receipt of funds by me or on behalf of me/ ourselves by the developer, seller or any other bank and financial institution.

I/ We undertake not to dispute or contest this at any point of time.

Name and Signature (Affix seal as applicable)

Date: \_\_\_\_\_



## PERSONAL GUARANTEE

To:  
DEUTSCHE BANK AG,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Full address of branch to be mentioned)

Place : \_\_\_\_\_  
Date : \_\_\_\_\_

Dear Sirs,

In consideration of you having granted or having agreed to grant at my/our request to the Principal Debtor ( defined in the First Schedule) a credit facility (particulars of which are given in the Second Schedule hereto) ("Facility") on the terms and conditions as set out in the facility agreement dated \_\_\_\_\_(" Agreement") executed between yourselves and the Principal Debtor , I/We hereby agree with and undertake to you, Deutsche Bank AG, India (Bank) as under, namely :

- a. I/We, \_\_\_\_\_ residing at \_\_\_\_\_  
\_\_\_\_\_ respectively hereby, jointly and severally, and unconditionally guarantee ("Guarantee") the due payment to the Bank of all the amounts due and payable by the Principal Debtor to the Bank in respect of the Facility or under Agreement and together with interest (at the rate(s) determined by you from time to time) and other charges, including all legal charges and expenses payable by the Principal Debtor under the said Agreement.
- b. This Guarantee is independent of the said Agreement and I/We shall be independently liable to the Bank under this Guarantee, notwithstanding any of the provisions of the said Agreement or any other contract or arrangement between the Bank and the Principal Debtor or any other person or persons.
- c. The amounts payable by me/us under this Guarantee shall be paid by me/us without any demur or protest on receipt of notice in writing from the Bank that a specified amount is due to the Bank by the Principal Debtor under the Agreement. I/We shall not ask further proof or evidence of your right to claim and receive the said sums from me/us and the notice issued by the Bank to me/us shall be final and binding on me/us and the notice shall not be questioned by me/us in any respect whatsoever and I/We shall pay all the amounts claimed by the Bank in its notice of demand within one week from the date thereof.
- d. This Guarantee shall not be revoked by me/us without the Bank's prior consent in writing.
- e. Any forbearance or omission on the Bank's part in enforcing any of the conditions of the said Agreement or any compliance by the Principal Debtor of any of the terms and conditions stipulated therein or granting of time or other indulgence to the Principal Debtor or in any other matter connected therewith, shall not discharge me/us in any way of my/our obligations under this Guarantee and my/our said obligations under this Guarantee shall be discharged only upon payment of the amounts for which I/We am/are liable.
- f. My/our liability under this Guarantee shall not exceed the principal sum of INR \_\_\_\_\_ /- (Indian Rupees \_\_\_\_\_ Only) ,as granted under the Agreement together with the applicable rate of interest including but not limited to various costs, charges and other expenses, legal expenses, that has been agreed to be paid by the Principal Debtor to the Bank under the Agreement.
- g. My/our liability under this Guarantee shall not be affected by the inability of the Principal Debtor to undertake all or any of the obligations under the Agreement or the insolvency of or change in the constitution of the Principal Debtor.
- h. You shall have full discretionary powers, without any further consent from or notice to me/us and without in any way affecting my/our liability under this Guarantee to renew the Facility or any part thereof and to hold over, renew or give up in whole or in part and from time to time any securities received and/or to be received from the Principal Debtor.

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Signature of Guarantor(s)

- i. You shall have complete liberty, without in any way affecting this Guarantee and discharging me/us from my/our liability hereunder, to vary any of the provisions of the Agreement or, to grant any indulgence to the Principal Debtor and I/We shall not be released by the exercise by the Bank of any such power or by reason of time being given to the Principal Debtor or for any other forbearance, act or omission on your part or by any other matter or thing whatsoever which under the law relating to surety would, but for this provision, have the effect of so releasing me/us and I/we hereby waive all suretyship and other rights which I/We might otherwise be entitled to enforce.
- j. The Guarantee hereby given is independent and distinct from any security that the Bank has taken or may take in any manner whatsoever in respect of the said Facility and notwithstanding the provisions of Section 140 and 141 of the Contract Act, 1872, or any other section of that Act or any other law, I/We will not claim to be discharged to any extent because of your failure to take any other such security or in requiring or obtaining any other such security or losing for any reasons whatsoever, including reasons attributable to its default and negligence, benefit of any other such security or any rights to any other such security that have been or could have been taken.
- k. Without prejudice to the provisions of the preceding clause, I/We will not be concerned in any manner with any other security that the Bank has taken or proposes to take or may take in respect of the Facility and your failure requiring or obtaining any other securities or in the observance or performance of any of the stipulations or terms contained in the Agreement and your default in requiring or enforcing the observance or performance of any of the stipulations or terms of the Agreement shall not have the effect of releasing me/us from my/our liability hereunder and of prejudicing the Bank's rights or remedies against me/us under this Guarantee or any other rights.
- l. This Guarantee shall be a continuing security to the Bank and shall not be determined by me/us except by performance and this Guarantee shall be applicable to the ultimate balance that may be due to you from the Principal Debtor in respect of the Facility and/or the Agreement notwithstanding that any account in respect of the Facility may in the meantime or at any time or times have been in credit or may have disclosed a reduced or a nil balance; and until repayment of the said balance, you shall be entitled to retain, realize or otherwise dispose of in such manner as you may think fit any securities now or hereafter held by the Bank or in respect of the Facility or the proceeds thereof and without any liability to account to me/us for any proportion of such securities or any proceeds thereof until the said ultimate balance shall have been satisfied.
- m. As long as any amounts are due to you from the Principal Debtor on any account whatsoever, I/We will not take any steps to enforce any right or claim against the Principal Debtor in respect of any monies paid by me/us to you hereunder.
- n. If the Bank receives payments from the Principal Debtor or any security held by the Bank is realized, or if the Principal Debtor becomes insolvent or shall enter into any arrangement, scheme or compromise with its creditor or creditors, the Bank shall be at liberty, without discharging my/our liability, to make or assent to any compromise, compositions or arrangements, or to prove and to rank as creditors in respect of the general balance of your account, or any item or items thereof, and to receive dividends thereupon, and all such payments and dividends received shall be treated as payments in gross and my/our liability shall extend to the ultimate balance after deducting such payments for the full sum hereby guaranteed, and to the entire exclusion and surrender of all my/our rights as surety in competition with you, the statutes of insolvency or any rule of law or equity to the contrary notwithstanding, unless you have been paid all your dues in full.
- o. I/We shall not stand, in the insolvency of the Principal Debtor, to your prejudice and in case I/We hold any security from the Principal Debtor, such security would be held by me/us for the Bank's benefit and if so desired, be transferred to you.
- p. To give effect to this Guarantee you may act as though I/We am/are the Principal Debtor/s and my liability hereunder will be several.
- q. I/We waive in your favors all or any of my/our rights against you and the Principal Debtor as may be necessary to give effect to any of the provisions of this Guarantee and I/We agree that I/We shall not be entitled to claim the benefit of any legal consequences of any variations of the Agreement or any other agreement between you and the Principal Debtor in respect of the said Facility or in your allowing additional facilities to the Principal Debtor.
- r. This Guarantee shall be in addition to and shall not merge with or otherwise prejudice or affect any other guarantee for the Principal Debtor signed by me/us or any other security right or remedy that you may at any time hold.

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Signature of Guarantor(s)

- s. I/We shall, forthwith on demand made by you, deposit with you such sum or security or further sum or security as you may, from time to time, specify as security for the fulfillment of my/our obligations under this Guarantee and any security so deposited with you may be sold by you after giving me/us a reasonable notice of sale and the said sum or proceeds of the sale of the said security may be appropriated by you towards satisfaction of my/our obligations hereunder and any liability arising out of the non-fulfillment of my/our obligations hereunder.
- t. Any notice to be given to me/us under these presents shall be deemed to have been given to me/us by sending the samvrushale by post at the following address and shall be effectual notwithstanding any change of address. It shall be sufficient if such notice were signed by any of your officers and in proving such service, it shall be sufficient to prove that the letter containing the demand was sent by prepaid post and properly addressed. Such letter shall be deemed to have been received by me/us on the expiry of 48 hours after the posting thereof and in the event of my/our death , it shall be deemed to have been received by my/our legal representative

Address:

\_\_\_\_\_

\_\_\_\_\_

- u. An admission or acknowledgment by the Principal Debtor or by any person authorised by the Principal Debtor or a certificate signed by any of your officers or an authorised official of the amount due to you by the Principal Debtor or otherwise shall be binding and conclusive on me/us in any court of law and elsewhere.
- v. The Guarantee herein contained shall not be determined or in any manner prejudiced by any absorption or amalgamation or re-constitution or alteration in the status or change in your constitution but shall be available for and by your successors and the absorbing or amalgamated or reconstituted or altered or changed authority or body.
- w. I/We have not taken/received and undertake not to take/receive the benefit of any security from the Principal Debtor or any other person liable under the Agreement. If any such security is taken or I/We receive the benefit of the same, I/We hereby agree to forthwith deposit an amount equal to the value of the same with you until such security is released or the benefit thereof returned to the Principal Debtor.
- x. You shall be entitled at any time and without notice to me/us or the Principal Debtor to combine or consolidate all or any of my/our accounts and liabilities with or to you or set off or transfer any sum or sums standing to the credit of one or more of such accounts in or towards the satisfaction of my/our liability to you under this Guarantee.
- y. This Guarantee shall be binding on my/our respective heirs, executors, administrators or successors as the case may be.

IN WITNESS WHEREOF THE GUARANTOR HAS EXECUTED THESE PRESENTS THE DAY AND YEAR FIRST HEREINABOVE WRITTEN.

SIGNED SEALED AND DELIVERED

BY THE WITHIN NAMED GUARANTOR(S)

Mr / Mrs. \_\_\_\_\_

SIGNED SEALED AND DELIVERED BY DEUTSCHE BANK AG, BY THE HAND OF

(AUTHORIZED SIGNATORY)

(AUTHORIZED SIGNATORY)

## FIRST SCHEDULE

(Description of the Principal Debtor)

The Principal Debtor means M/S \_\_\_\_\_, having its Address at \_\_\_\_\_  
\_\_\_\_\_(herein referred to as "the Principal Debtor", which expression shall include its successors, heirs and assigns).

## SECOND SCHEDULE

Brief description of Facilities granted /agreed to be granted to the Principal Debtor: \_\_\_\_\_

Facility Amount: \_\_\_\_\_ /-

Signature of Guarantor(s)

Mr / Mrs. \_\_\_\_\_

## IRAC Annexure

From:

Mr / Ms / M/s. \_\_\_\_\_

\_\_\_\_\_  
(Name and address of the borrowers)

To:

The Manager, Deutsche Bank  
\_\_\_\_\_ branch

Dear Sir,

With reference to the Credit facilities sanctioned to me/ us vide sanction Letter ref No \_\_\_\_\_ Dated \_\_\_\_\_, and being availed by us today, I/ we confirm having understood the following concepts and illustrative examples related to due dates, classification of our borrowal accounts as SMA/ NPA in the course of the conduct of the accounts.

**Concepts/ clarifications/ Illustrative examples on Due dates and specification of SMA/ NPA classification dates: Dues:** mean, the principal/ interest/ any charges levied on the loan account which are payable within the period stipulated as per the terms of sanction of the credit facility.

### **Overdue:**

mean, the principal/ interest/ any charges levied on the loan account which are payable, but have not been paid within the period stipulated as per the terms of sanction of the credit facility. In other words, any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.

**Relevance of the Principle of 'First In First Out' (FIFO) in appropriation of payments into the borrowal account:**

The Principle of FIFO i.e., 'First In, First Out' accounting method is relevant to arrive at the No. of days of overdue for determining the SMA/ NPA status. The FIFO principle assumes that the oldest outstanding dues in the loan account needs to be cleared first. The FIFO method thus requires that what is due first must be paid by the borrower first.

### **For example:**

if in any loan account as on 01.02.2021 there are no overdues and an amount of Rs.X is due for payment towards principal instalment/ interest/ charges, any payment being credited on or after 01.02.2021 in the loan account will be used to pay off the dues outstanding on 01.02.2021.

Assuming that nothing is paid/ or there is partial payment (Rs Y) of dues during the month of February, the overdue as on 01.03.2021 will be Rs. X-Y.

Additionally, an amount of Rs. Z becomes due as on 01.03.2021, Now any payment/ partial payment into the account on or after 01.03.2021 will be first utilised to pay off the partial due of 01.02.2021 (Rs X - Rs. Y) If there is more recovery than the Rs X - Rs Y. then after recovering dues of 01.02.2021, the remaining amount will be treated as recovery towards due of 01.03.2021.

### **Age of oldest Dues:**

The age of oldest dues is reckoned in days from the date on which the oldest payment is due and continues to remain unpaid. In the aforesaid illustration, if the Dues relating to 1st February 2021 remain unpaid till 01.03 2021, the age of the oldest dues is reckoned as 29 days on 02.03.2021.

### **Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)**

Lending institutions will recognize the incipient stress in loan accounts, immediately on Default, by classifying them as Special Mention Accounts (SMA) The basis of classification of SMA/ NPA Category shall be as follows:

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Initials of Borrower(s)

Loans in the nature of Term Loans		Loans in the nature of cash credit / overdraft	
SMA Sub-categories	Basis for classification - Principal or interest payment or any other amount wholly or partly overdue	SMA Sub-categories	Basis for classification - Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of
SMA-0	Upto 30 days		
SMA-1	More than 30 days and upto 60 days	SMA- 1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days	SMA-2	More than 60 days and upto 90 days

However, In case of NBFCs, the reference to 90 days for SMA-2/ NPA classification to be read as per the applicable norms and also subject to the provisions of the RBI Circular DOR CRE.REC .No.60/ 03.10.001/ 2021- 22 dated October 22,2021 on 'Scale Based Regulation (SBR): A revised Regulatory framework for NBFCs . Also the asset classification norms of Agricultural advances which are based on Crop Season shall continue as hitherto.

#### Non-performing Asset:

Non-Performing Asset (NPA) is a loan or an advance where:

1. interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan,
2. the account remains 'out of order' as indicated below, in respect of an Overdraft/Cash Credit (OD/CC),
3. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
4. the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
5. the instalment of principal or interest thereon remains overdue for one crop season for long duration crops.

#### 'Out of Order' Status:

An account shall be treated as 'out of order' if:

1. the outstanding balance in the CC/OD account remains continuously in excess of the sanctioned limit/drawing power for 90 days, or
2. the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

Illustrative movement of an account to SMA category to NPA category based on delay/ nonpayment of dues and subsequent upgradation to Standard category at day end process:

Due date of payment	Payment Date	Payment covers	Age of oldest dues in days	SMA / NPA Categorization	SMA since Date /SMA class date	NPA Categorization	NPA Date
01.01.2022	01.01.2022	Entire dues upto 01.01.2022	0	NIL	NA	NA	NA
01.02.2022	01.02.2022	Partly paid dues of 01.02.2022	1	SMA-0	01.02.2022	NA	NA
01.02.2022	02.02.2022	Partly paid dues of 01.02.2022	2	SMA -0	01.02.2022	NA	NA
01.03.2022		Dues of 01.02.2022 not fully paid 01.03.2022 is also due at EOD 01.03.2022	29	SMA -0	01.02.2022	NA	NA
		Dues of 01.02.2022 fully paid, Due for 01.03.2022 not paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
		No payment of full dues on 01.02.2022 and 01.03.2022 at EOD 03.03.2022	31	SMA - 1	01.02.2022 / 03.03.2022	NA	NA

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Initials of Borrower(s)

		Dues of 01.02.2022 fully paid, Due for 01.03.2022 not fully paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
01.04.2022		No payment of dues of 01.02.2022 01.03.2022 and amount due on 01.04.2022 at EOD 01.04.2022	60	SMA 1	01.02.2022 / 03.03.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.04.2022 at EOD 02.04.2022	61	SMA 2	01.02.2022 / 02.04.2022	NA	NA
01.05.2022		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 01.05.2022	90	SMA 2	01.02.2022 / 02.04.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 02.05.2022	91	NPA	NA	NPA	02.05.2022
01.06.2022	01.06.2022	Fully Paid dues of 01.02.2022 at EOD 01.06.2022	93	NPA	NA	NPA	02.05.2022
01.07.2022	01.07.2022	Paid entire dues of 01.03.2022 & 01.04.2022 at EOD 01.07.2022	62	NPA	NA	NPA	02.05.2022
01.08.2022	01.08.2022	Paid entire dues of 01.05.2022 & 01.06.2022 at EOD 01.08.2022	32	NPA	NA	NPA	02.05.2022
01.09.2022	01.09.2022	Paid entire dues of 01.07.2022 & 01.08.2022 at EOD 01.09.2022	1	NPA	NA	NPA	02.05.2022
01.10.2022	01.10.2022	Paid entire dues of 01.09.2022 & 01.10.2022	0	Standard Account with No Overdues	NA	NA	STD from 01.10.2022

**Day- end process:**

It is further clarified that borrower accounts will be flagged as overdue by the bank as part of day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as SMA as well as NPA will be done as part of day-end process for the relevant date and the SMA or NPA classification date will be the calendar date for which the day end process is run. In other words, the date of SMA/NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

**Example:**

If due date of a loan account is March 31, 2024, and full dues are not received before bank runs the day-end process for this date, the date of overdue shall be March 31, 2024. If it continues to remain overdue, then this account will be tagged as SMA-1 upon running day-end process on April 30, 2024 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account will be April 30, 2024.

Similarly, if the account continues to remain overdue, it will be tagged as SMA-2 upon running day-end process on May 30, 2024 and if continues to remain overdue further, it will be classified as NPA upon running day-end process on June 29, 2024.

I/ we also understand that the aforesaid few examples are illustrative and not exhaustive in nature covering common scenarios, and that, the IRACP norms and clarifications provided by RBI on the subjects referred above will prevail.

Yours faithfully,

(Borrower/ s)

Date:

Place:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Specimen Signature

Name	Initials	Signature

For bank use only

LOS #	Loan Account #
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Version – July'25