

HYPOTHECATION DEED

This Hypothecation Deed (“**Deed**”) executed at the place and on the day, month and year set out in **Schedule** hereof by and **BETWEEN**

i. The **Borrower/Applicant** named in Schedule which expression shall include his / her legal heirs, executors, administrators and assigns of the **One Part**

AND

ii. RBL Bank Limited, a banking company within the meaning of Section 5 (c) of the Banking Regulation Act, 1949; constituted under the provisions of Indian Companies Act, 1913 and having its registered office at 1st Lane, Shahupuri Vyapari Peth, Kolhapur – 416 001 and Corporate Office at One Indiabulls Centre, Tower 2B, 6th Floor, 841, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, and amongst others, a branch/office at the place specified in Schedule hereof (“**Bank**”) of the **Other Part**.

WHEREAS

- a. The Borrower has submitted to the Bank an Application Form requesting the Bank to grant facility on such terms and conditions as it may deem fit.
- b. The Bank having considered the Borrower's request has agreed to grant the facility/facilities repayable on terms and conditions contained in the Sanction Letter more particularly described in Schedule, with interest, charges, outstanding amounts and any other monies payable by Borrower (“**Facility**”).
- c. The Borrower has agreed to avail of the facility on the terms and condition stipulated by the Bank and pursuant thereto has agreed to hypothecate the Assets described as Security in Schedule as under.

NOW THEREFORE THESE PRESENTS WITNESSETH THAT

1. **The Borrower hereby agrees and undertakes as under:**
 - i. All Assets described as Security in the Schedule are hereby hypothecated as a charge to secure the repayment of the Facility
 - ii. To keep the Assets in good and marketable condition and insured for the market value at all times for all risks with the Bank endorsed as “Loss Payee”. Any claim received on the insurance policies will be utilised to repay the Facility.
 - iii. To display the name of the Bank on the Assets as the entity in whose favour the Assets are charged.
 - iv. On demand, notwithstanding any legal proceeding to give immediate possession of the Assets together with all records / documents pertaining to the Assets to the Bank's authorised personnel and to accept Bank's account of sale and realisations as sufficient proof of amounts realised upon sale of the Assets.
 - v. Not to hold the Bank responsible for any loss, damage or depreciation in the value of the Assets while under the possession / control of the Bank and /or its nominees.
 - vi. Security created shall be in full force and effect till all monies due under the Facility are repaid and shall not be affected or discharged by death, insolvency or winding up of the Borrower.
 - vii. Upon demand by the Bank to furnish full particulars of the Assets where stored or located and to keep them free from any charge or encumbrance other than in favour of the Bank.
 - viii. Not to compound or release any of the book-debts due to the Borrower without the consent of the Bank.
 - ix. To indemnify the Bank from and against all suits/proceedings, costs, charges, claims and demands by any third party against the Bank for any lawful acts done by the Bank pursuant to this agreement
 - x. To execute such further documents and deeds as may be required by the Bank to perfect, protect and /or enforce the Security.
 - xi. The Borrower/s shall, for so long as any portion of the Borrower/s' Dues is outstanding/payable to the Bank, fully insure, and keep the Asset(s) so insured, at its own costs. Where required by the Bank, the Asset(s) shall be insured in the joint names of the Borrower/s and RBL Bank, with the name of the Bank recorded as 'the Loss Payee' in such insurance policy/ies.
 - xii. In the event of any failure by the Borrower/s to obtain such insurance policies and/or to furnish proof of the same to the Bank, the Bank may (but shall not be bound to) insure the Asset(s) at the Borrower/s' cost. If the Bank pays the insurance premium, or any other monies, for/towards the insurance of the Asset(s), the Borrower/s shall reimburse all such sums paid by the Bank.

xiii. In the event of any loss or damage to the Asset(s) due to any accident, the first claim on any insurance proceeds shall be that of the Bank, which proceeds shall be applied by the Bank towards the Borrower/s' Dues towards charges and costs, interest and then principal in that order.

2. The Borrower hereby authorizes

- i. The Bank and /or its officials without notice to the Borrower and at the Borrower's risk and expenses to enter into any place where the hypothecated Assets are stored and to inspect, value or take possession of the Assets.
- ii. Upon a default by the Borrower in repayment of the loan as agreed upon or in the event the charge on the Assets becomes unenforceable for any reasons whatsoever the Bank and/or its officials at the risk and expense of the Borrower may
 - a. enter upon any premises of the Borrower and /or any other person to seize, recover, collect, withdraw, receive the Assets without interruption or hindrance by the Borrower and /or any other person
 - b. to remove and/or sell by public auction or by private contract, despatch or consign for realisation or otherwise dispose of or deal with all or any part of the Assets and enforce, realise, settle, compromise and deal with any rights or claims relating there to
 - c. to sell, assign or otherwise liquidate any or all of the Assets and to claim the proceeds of such sale or liquidation and to retain all amounts received or receivable in respect of the Assets and use them in whole or part towards repayment of all amounts due in respect of the Facility.
 - d. direct the Borrower and /or other concerned person at their expense to deliver to the Bank the Assets on the appointed date and time indicated by the Bank and to provide guards and maintenance services to protect the same.
 - e. To appoint a Receiver at the risk and expense of the Borrower to take the possession of the Assets and to sell the same
 - f. Act as the Borrower's attorney and at the Borrower's expenses / risk to recover any receivables present or future due to the Borrower from any person or entity and to appropriate the same towards repayment of the Facility.
- iii. The Bank and /or its group companies may provide information on various products marketed through any mode including through post, courier, telephone calls, sms, email etc.

3. The Borrower and the Bank agree that

- i. If any provision is unenforceable or prohibited it shall not invalidate the remaining provisions and this agreement will be construed as if the unenforceable / prohibited provisions did not exist.
- ii. The Bank is entitled to stipulate such further terms and conditions as it may deem fit at any time including after grant of the Facility which shall be binding on the Borrower.
- iii. The Deed shall be read in conjunction with the Invoice and Sanction Letter and accordingly all provisions, including in relation to applicable law and jurisdiction shall be applicable herein. The Invoice shall be issued in name of the Borrower/ Applicant mentioning all the details of vehicle along with the model number, registration number, chassis number and engine number.

4. SMA / NPA Classification

The classification of Borrower accounts as SMA as well as NPA shall be done as part of day-end process for the relevant date. The date of SMA/NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

SMA / NPA Categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue
*SMA-0	Upto 30 days
*SMA-1	More than 30 days and upto 60 days
*SMA-2	More than 60 days and upto 90 days
NPA	For agriculture loans: <ul style="list-style-type: none"> • Two crop seasons in case of short duration crops (Monthly/Quarterly/ Half-yearly repayments) • One crop season in case of long duration crop (Yearly repayments) For commercial loans: More than 90 days from the due date

*Note: Agricultural advances governed by crop season-based asset classification norms shall be exempted from instruction on SMA classification

Example:

If due date of a loan account is March 31, 2021, and full dues are not received before this date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then this account shall get tagged as SMA-1 on April 30, 2021 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that

account shall be April 30, 2021. Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 on May 30, 2021 and if continues to remain overdue further, it shall get classified as NPA on June 29, 2021.

Upgradation of accounts classified as NPA: Borrower account(s) classified as NPAs will be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower. For further clarification, you may refer to RBI circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated 12th November, 2021.

SCHEDULE

1.	Application Date	Date :
2.	Sanction No. and Date	No : Date:
3.	Place of Execution of Agreement	Place:
	Date of Execution of Agreement	Date:
4.	Name & Address of Borrower	Name : Address:
5.	Name & Address of Co-Borrower 1/Guarantor	Name : Address:
6.	Name & Address of Co-Borrower 2/Guarantor	Name : Address:
7.	Details of Facility (a)Type of Facility (b)Amount (c)Purpose	Vehicle Equipment Finance/ Agricultural Activities
8.	Details of Security (a)Vehicle(Describe type) (b)Machinery & Equipment (Describe type)	Make - Model - Engine No - Chassis No - Invoice No - Invoice Date - Registration No. (For Used Tractor) - Description- Type of Equipment - Make -

Note:

1. Vehicle means the vehicle including spares, tools and accessories installed or not whether in the possession or control of the Borrower and stored in or about the Borrower's premises or held by any other party or in the course of transit.
2. Machinery and Equipment means all machines including spares, tools and accessories installed or note whether in the possession or control of the Borrower and stored in or about the Borrower's premises or held by any other party or in the course of transit.

IN WITNESS WHEREOF THE BORROWER has executed this Deed on the day month and year mentioned in Schedule.

Signed and Delivered by (Applicant)	Signed and Delivered by (Co Applicant -1/Guarantor)	Signed and Delivered by (Co Applicant -2/Guarantor)