

BUSINESS LOAN AGREEMENT

This **LOAN AGREEMENT** (“**Agreement**”) is entered into as of this _____ day of _____ 2024, at _____, by and between

SBM Bank (India) Limited, a company incorporated in India under the provisions of Companies Act 2013 and a banking company under the Banking Regulations Act 1949 and who is licensed to carry on its business of banking by the Reserve Bank of India and having its Registered Office at 101, Raheja Centre, 1st Floor Free Press Journal Marg, Nariman Point Mumbai, Maharashtra 400021 (hereinafter referred to as “**SBM Bank**” or “**Bank**” which expression shall unless it be repugnant to the context or meaning thereof include its successors-in-interest and assigns), of the One Part;

AND

_____, having its office at _____ (herein after referred to as the “**Borrower**”, which expression shall unless repugnant to the subject or context shall mean and include its successors and assigns) of the Other Part. The “**Borrower**” and the “**Bank**” shall together be referred to as ‘**Parties**’ and individually as a ‘**Party**’.

WHEREAS the Borrower is in need of funds and hence has approached the Bank to grant him/her INR _____/- (Rupees _____ Only) for a period of _____ year (“**Unsecured Business Loan**”);

AND WHEREAS the Bank has agreed to grant a loan to the Borrower, with interest, as the Bank and the Borrower have known each other for several years and on the basis of the promises made by the Borrower to the Bank.

AND WHEREAS the parties hereto are desirous of recording the terms and conditions of this loan in writing.

AND WHEREAS at the Borrower’s request, the Bank agrees to grant to the Borrower, a loan as set out in the Sanction Letter of the Bank as may be varied, supplemented, modified, renewed, rolled over or extended from time to time, which term shall also include all other future and subsequent sanction letters as may be issued by the Bank or any other communication sent by the Bank to the Borrower from time to time), subject to the terms and conditions set out herein and in the Sanction Letter, General T&C, Important T&C and the special conditions provided in the Annexures attached to this Agreement executed/to be executed in favour of the Bank and/or entered / to be entered into between the Borrower and the Bank.

NOWTHIS AGREEMENT WITNESSETH and it is hereby agreed by and between the parties hereto as under:

1. The Borrower hereto, requiring money, has requested the Lender to give him/her Unsecured Business Loan @ _____ P.A. to enable him/her to _____, to which the Lender has agreed.
2. The said Unsecured Business Loan is required by the Borrower for a period of _____ year, commencing from _____, 202____ and terminating on _____.
3. The Borrower hereby agrees and undertakes to return the Unsecured Business Loan, within the aforesaid period of 3 years and, gives his personal guarantee for the same.
4. The terms and conditions of this Agreement are arrived at by the mutual consent of the parties hereto.
5. The Borrower has acknowledged the terms and conditions of the sanction letter dated _____ (**“Sanction Letter”**). Further, the Borrower has accepted the general terms and conditions dated _____ (**“General T&C”**) and also accepted the most important terms and conditions dated _____ (**“Important T&C”**).
6. The terms and conditions of the Sanction Letter, General T&C and Important T&C shall apply mutatis mutandis to this Agreement.
7. That the borrower is known to the Lender as a business personnel who wishes to use the amount of Unsecured Business Loan for the business best known to the Borrower.
8. Without prejudice to generality of the foregoing the Bank shall also be entitled to charge, and the Borrower shall be liable to pay such Penal Charges for any breach/non-compliance of Material Terms and Conditions and for such period as the irregularity or breach continues or for such time as the Bank may decide it necessary. Provided that the charging and the payment of Penal Charges shall be without prejudice to the other rights or remedies of the Bank either hereunder or Loan Documents or otherwise or by law to proceed for such irregularity or breach against the Borrower and/ or the Security hereby created.

For the above clause, please refer to the below definitions:

- (a) **“Penal Charges”** shall mean the penal charges payable by the Borrower upon breach/non-compliance of the Material Terms and Conditions, as more particularly set out in General T & C, and/or as may be notified by the Bank to the Borrower from time to time or as updated on the Bank’s website.
- (b) **“Material Terms and Conditions”** shall mean the material terms and conditions of the General T & C, as more particularly set out in Schedule hereunder.
9. As security against the amount provided as per abovementioned details the Borrower without any pressure and out of his own will has provided following:
 - (a) Blank cheque vide Cheque no. _____ of _____ Bank which is presently dated as _____. This may be used as per the agreed between the Parties. The Borrower undertakes along with this that he will never complain to

the Bank, police or other authority that these cheques were lost or fraudulent. The Borrower legally undertakes that the signature is correct, and the Borrower will not change the bank signature and if the Borrower does so then he/she will provide the Bank with valid replacement cheques immediately.

All the above information provided is true and verified by both the Parties and for the truthfulness, the Borrower will be responsible.

SCHEDULE

DETAILS OF PENAL CHARGES UPON BREACH OF MATERIAL TERMS AND CONDITIONS

Product	Material Terms and Conditions	Penal Charges
Business Loan	Penal Charges in case of Default or Delay in payment or Breach of Material Terms & Conditions	2% p.a. + Applicable Taxes from the date of default till the facility is regularized/paid off. Charged on defaulted amount only.

Note: GST will be applicable on above charges as per extant government regulation.

OTHER CHARGES

Sr. No.	Name of the Service	Name of Fee/ Charges Levied	When Payable	Frequency	Charges
1.	Fees for Business Loan	Processing Fees	At Application	Once	Upto 4% of loan amount + applicable Taxes and statutory levies and charges, as may be applicable from time to time
2.	Statutory Charges	Stamp Duty	On loan agreement	Once	As applicable in the respective state.
3.	Cheque/PDC/NACH/EC S/SI/Auto Debit Bounce Charges	Miscellaneous Receipts	Event	As and when	Rs. 500 + Applicable Taxes

4.	Loan Rescheduling Charges	Miscellaneous Receipts	Event	On every request	Rs. 500 + Applicable Taxes
5.	Pre-Closure / Full Prepayment (post clearance of 12 EMIs)	Miscellaneous Receipts	Event	On request	4% of Amount outstanding + Applicable Taxes (Not allowed before clearance of 12 EMIs)
6.	Repayment mode Swap charges	Miscellaneous Receipts	Event	On every request	Rs. 500 + Applicable Taxes per request
7.	PDC Swap	Miscellaneous Receipts	Event	On every request	Rs. 500 + Applicable Taxes per request
8.	Disbursement cheque cancellation charges post disbursement	Miscellaneous Receipts	Event	On every occurrence	Rs. 3000 + Applicable Taxes
9.	Part Prepayment	Not Permitted	Not Permitted	Not Permitted	Not Permitted

Note: GST will be applicable on above charges as per extant government regulation.

The Borrower is aware that the schedule hereto, the terms and conditions, charges are currently prevalent and can be changed and /or fresh/new conditions, charges can be added to anytime and from time to time at sole and absolute discretion of the Bank and such changes shall be binding on the Borrower.

IN WITNESS WHEREOF the Parties hereto have hereunto set and subscribed

their respective hands the day and year first hereinabove written.

<div>SIGNED, SEALED and DELIVERED by,</div> <div></div> <div>for and on behalf of SBM Bank (India) Limited</div> <div>Witness:</div> <div>1.</div> <div></div> <div>2.</div>	<div>SIGNED, SEALED and DELIVERED by</div> <div></div> <div>the Borrower/s</div> <div>Witness:</div> <div></div> <div></div> <div></div>
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Key Fact Statement (Annexure 1 - Part 1 & 2 and Annexure 2 and Annexure 3) acknowledged by Borrower/s to be mandatorily attached at the end of this Agreement which shall form an integral part of the Loan Agreement and shall be read along with the terms of the Agreement.