

## Application Form for Overdraft/Demand Loan Facility backed by Fixed Deposits

Date: DD/MM/YYYY \_\_\_\_\_ Customer ID: \_\_\_\_\_

I/We, \_\_\_\_\_

*<name of the Applicant and Co-Applciant/ Joint Applicant (if applicable)>*

("Applicant") hold Current/ Savings account number \_\_\_\_\_

("Account") with you. I/We request DBS Bank India Limited ("Bank/DBS") to sanction me/us the Facility

("Facility(/ies)") up to amounts not exceeding Rs.

\_\_\_\_\_ for the purpose of

\_\_\_\_\_ ("Purpose") against the security of the Fixed Deposit(s) ("FD(s)") described

herein. Relationship with 1<sup>st</sup> holder \_\_\_\_\_.

### CONSTITUTION OF APPLICANT(S):

Individual ☐ Sole Proprietorship ☐ Partnership firm ☐

Golden Circle Senior Citizen ☐ Y ☐ N

### FACILITY:

Demand Loan (DL-ODFDF) ☐ Secure Overdraft against Deposit/s (SODD-CAODF) ☐

### \*\*DETAILS OF FIXED DEPOSIT(S):

FD account No.	Name of the Depositor(s) ("Depositor")	FD(s) creation Date	Final Maturity Date of FD	FD Principal Amount (in Rs.)	Final Maturity Amount (in Rs.)	Interest rate	Auto Renewal (Y/N)
Total							

\*\*If more than 5 FDs please use Annexure 1.

Total FD principal in Rs. \_\_\_\_\_, Total Limit/Loan Rs. \_\_\_\_\_, LTV % \_\_\_\_\_, Margin \_\_\_\_\_

(1) In relation to the FD(s), I/we agree and confirm that:

- (a) All terms and conditions, applicable to FD(s) with DBS and as uploaded on its website [<https://www.dbs.com/digibank/in/deposit/fixed-deposit/terms-and-conditions.page>] not expressly overridden herein, shall continue to apply in relation to the FD(s) and the same shall be binding on me / us including any alteration, changes, revision etc. as may be done by the Bank, at its sole discretion, applicable from time to time;
- (b) the Bank is authorized to renew the FD(s) during the subsistence of the Facility or for the tenor of any or all of the instruments (if any) so issued under the Facility; and
- (c) the Applicant shall furnish additional FD(s) as security for the due repayment of the Facility(/ies). The said FD(s) shall stand as security for the Facility(/ies) and will be governed by the terms mentioned in this application form and the terms and conditions attached hereto (as defined below).

(2) I/we request you to set up a limit to the extent of the amounts stated above in our Account.

(3) I/We am/are not availing any fund based/non-fund based facilities from any other bank(s); or as on date of this Application, following credit facility(ies) are being availed by me/us:

Facility Type	Existing limit (In Rs.) (A1)	Proposed limit (In Rs.) (B1)	Total Limit (A1+B1)	Name of the Bank/ FI
(i) Fund based				
Facility 1 .....				
Facility 2 .....				
Total Fund based facility (A)				
(ii) Non fund based				
Facility 1 .....				
Facility 2 .....				
Total Non-Fund based facility (B)				
Total (A+B)				

I/We undertake that, if at any point in time the total banking exposure is >or equal to Rs 50.0 mn, LEI details will be provided to the Bank.

Legal Entity Identifier (LEI) number: \_\_\_\_\_ Expiry Date: \_\_\_\_\_

(4) Interest Rates, Commission and Charges: I/We agree and undertake to maintain cash margin and pay interest, charges, fees and commissions on the Facility(ies) at the following rates:

Nature of Facility	Interest
Overdraft/ DL	<p>I/we shall pay to you interest on the Facilities and all amounts shown as outstanding from time to time, at the foot of the relevant account in respect of the Facilities or otherwise, at the rate specified below:</p> <p>_____ % over the interest rate stated above for the FD,</p> <p>or,</p> <p>_____ % over the highest of the rates of interest stated above for the FD(s) (in case the Facility is requested against multiple FDs)</p> <p>Plus applicable interest tax or other statutory levy, if any, on the principal amount of the Overdraft Facilities remains outstanding on daily balance basis. ("Applicable Rate").</p> <p>Interest shall be charged on monthly basis. The aforesaid interest at the Applicable Rate shall be debited on the last day of each month for the Interest Period and shall be serviced/paid by me/us when debited to the Account.</p>

	<p><b>"Interest Period"</b> means the period commencing from the interest debit date in the preceding calendar month and ending one day prior to the interest debit date of the following calendar month. If the interest debit date falls on a day which is not a Business Day, the interest shall be debited to the Account on the next Business Day.</p>
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(5) I/We agree that the total amount of the above FD(s) shall, at the time of submitting this Application Form and during the subsistence of the Facility(ies), not be less than 15 % of the Facility amount for Demand Loan and not less than 10% of the Facility amount for SODD (individually referred to as **"Margin"**). I/We acknowledge and agree that the Margin may be revised by the Bank subject to necessary approvals and its internal policies. I/We agree and undertake to maintain the Margin (as maybe varied by the Bank from time to time) at all times during the subsistence of the Facility and authorize the Bank Limited to debit the Account towards additional margin requirements in case the amounts of the cash / FD(s) do not satisfy the above Margin requirement. I/We further undertake to bring in additional cash/FD(s)/security to the satisfaction of the Bank;

- (a) I/We acknowledge and confirm that notice, if any, provided by you in any manner whatsoever, of any changes in the Applicable Rate(s)/charges or any notice from you for payment of amounts at the changed rate(s)/charges, shall be treated by me /us as sufficient and reasonable notice to me/us;
- (b) I/We acknowledge and agree that if there is irregularity due to drawings beyond Drawing Power/ Limit, the penal charges would be 2% over the document rate in case of:
  - (i) Excess drawings – over drawing power but within sanctioned limit
  - (ii) Excess drawings over sanctioned limit
  - (iii) Non- renewal of limits

Penal charges would be charged from the next day of excess drawings/date of expiry till such time the outstanding is brought within drawing power/sanctioned limit as applicable/limits are renewed.

(6) I/We undertake that the mentioned proposal is in compliance with all regulatory guidelines and the borrowing entity/promoters/guarantors do not appear in the RBI/ECGC list of defaulters/ terrorist List/RBI willful defaulters list. The Applicant undertakes and confirms that it is "Standard" with all the Banks/ Fls/Lenders and not SMA-1/SMA2/RFA/Fraud/Willful defaulter/Non-Cooperative Borrower for the past 5 years with any Bank/Fls/Lenders (as per available CRILC report, if any). I/we hereby confirm that I/We am/are not in RBI defaulter list and the credit facilities availed by us are within our assessed bank finance limits and none of the other credit facilities with other banks/financial institutions are classified as non-performing assets. I/We hereby confirm having read and understood the information on terminologies such as SMA reporting, NPA and other commercial credit reporting related information as available on and accessed through the link provided herein: <https://www.dbs.com/in/iwov-resources/pdf/loans/prudential-RBI-norms-customer-education-regarding-asset-classification.pdf>

(7) I/We further understand and confirm that the draws under the Facility(ies) can be made by me/us only till the expiry date of the Facility(ies). The tenor/last payment date of the underlying instruments shall not exceed the earliest expiry date of the FD(s).

(8) I/We shall, unless otherwise agreed to by you, repay to you forthwith on demand the Facility(ies) / such of the amounts as may be outstanding in respect of the Facilities, together with all interest, costs, charges, expenses and monies whatsoever stipulated in, or payable in respect of the Facilities. Unless such demand is made, I/we shall repay the Facility(ies) on the earliest maturity date(s) of the aforesaid FD(s)/RD(s). I/We also authorize the Bank to debit the above Account or liquidate the FD(s) mentioned above to make payments in relation to the Facility even though it may lead to premature closer of the FD(s).

(9) For the Facility(ies) the Applicant agrees that the Applicant shall abide by the 'RBI Circular on Opening of Current Accounts by Banks - Need for Discipline', dated August 19, 2022, as amended from time to time.

(a) The Applicant shall not open a current account with any bank and all transactions by the Applicant shall be routed through the Applicant's Overdraft account(s) in line with the guidelines stipulated by RBI, vide the 'RBI

Circular on Opening of Current Accounts by Banks - Need for Discipline', dated August 19, 2022, as amended from time to time.

Further, the Applicant shall not use the credit balances in such Overdraft accounts maintained with the Bank, as margin for availing any non-fund based credit facilities from any third party.

(10) The Applicant and/or the Depositor, hereby give specific consent to the Bank for submitting/ disclosing the: (a.) 'financial information'; and (b.) 'security interest' as defined under the Insolvency and Bankruptcy Code, 2016 (including all amendments made thereto) ("**IBC**"), in respect of the Facility(ies) and the security interest created on the FD(s), from time to time, to 'Information Utilities' as defined therein, and directions issued by Reserve Bank of India to the banks from time to time and hereby specially agree to promptly authenticate and verify the 'financial information and information relating to 'security interest' submitted by the Bank, as and when requested by Information Utilities.

(11) I/We have read and understood the "Terms and Conditions for SODD/DL facility against FD ("**Terms and Conditions**")", a copy of which has been handed over to me /us. I/We agree to abide and ensure that the Depositors abide, by the same at all times during the subsistence of the Facility.

(12) I/We agree that the Bank reserves the unconditional right to cancel the limits and/or the Facility(ies) advanced/to be advanced hereunder the (either fully or partially) without giving any prior notice to the Applicant, on the occurrence of any one or more of the following:

(a) In case the Facility(ies) (in full or in part) are not utilized by the Applicant; or (b) In case of Deterioration in the Creditworthiness (defined below) of the Applicant in any manner whatsoever; or (c) In case of noncompliance of the terms and conditions of the Facility(ies); or (d) In case of any regulatory requirement.

For the purpose of this Application Form, "Deterioration in the Creditworthiness" shall mean and include without limitation, the following events:

- (i) Downgrade of the rating of the Applicant by a Credit Rating Agency (defined below);
- (ii) Inclusion of the Applicant and/or any of its directors in the RBI's willful defaulters list;
- (iii) Closure of a significant portion of the Applicant's operating capacity;
- (iv) Decline in the profit after tax of the Applicant by more than fifteen percent;
- (v) Any adverse comment from the auditor; and
- (vi) Any other reason/event which in the sole opinion of the Bank constitutes or which may constitute deterioration in the creditworthiness of the Applicant.

For the purposes of the above clause "Credit Rating Agency" shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited, CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moody's and Standard & Poor's and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

(13) I/We the Depositors, hereby: (a) create security interest and charge over the aforesaid FD(s) and all underlying amounts in favour of the Bank to secure the Facility(ies); (b) expressly waive all rights possessed by me/us in relation to the aforesaid FD(s) and the underlying amounts; (c) expressly discharge the Bank of all its obligations in relation the aforesaid FD(s); (d) expressly authorize the Bank to set off such monies due from me/us/the Applicant against any or all of the aforesaid FD(s); (e) confirm that there are no subsisting security interests /encumbrances on /assignments of the aforesaid FD(s)(other than in favour of the Bank) and I/We agree not to create security interest on/assign/dispose of /encumber such FD(s) to any other person; (f) undertake to and shall ensure that the details of the security created in favour of the Bank over the aforesaid FD(s) shall be expressly mentioned in each of my/our financial statements at all points of time until the release of such security by the Bank; (g) declare and confirm that the Bank shall be entitled to hold the aforesaid FD receipt(s) and I/we shall not be entitled to demand or receive the same; (h) declare and confirm that the security interest created in favour of the Bank is valid and enforceable in all respects;

(14) The aforesaid shall remain applicable until all amounts as may be outstanding in respect of the Facility(ies), together with all interest, costs, charges, expenses and monies whatsoever stipulated in, or payable in respect of the Facilities, actual or contingent, are fully paid to the satisfaction of the Bank. Nothing herein contained shall prejudice or adversely affect any general or special lien or right to setoff to which the Bank is or may by law or otherwise be entitled or any rights or remedies of the Bank including in respect of any present or future security, guarantee, obligations of the Applicant/Depositor.

(15) In case the Applicant/Depositor(s) are a partnership firm, the partners of the Applicant/Depositor(s) hereby declare that the partners named in the signature clause are the only partners of the Applicant/ Depositor(s) and they undertake to advise in writing of any changes in the partners or constitution of the partnership firm of the Applicant/Depositor. The partners of the Applicant/Depositor(s) further declare that they are authorized to avail the Facility(ies)/provide the securities on the aforesaid FD(s) and execute all transaction documents in relation thereto and are jointly and severally liable to the Bank for the performance of all obligations under the transaction documents.

(16) The Facility(ies) shall be auto-renewed at the end of each year from the date of sanction of the Facility(ies) provided that the FD against which the Facility has been granted is also auto-renewed and the continued use of the Facility(ies) by the Applicant shall be deemed acceptance of the applicable Terms and Conditions. I/We hereby agree to furnish all such documents which may be required by the Bank at the time of renewal and/or enhancement of the Facility(ies).

(17) I/We hereby agree that a lien shall be marked on the FD(s) deposited for the purpose of the Facility(ies) in accordance with the terms set out in the Letter of Lien and Set-off.

(18) I/We hereby declare that the information given in this Application Form is true, correct and complete in all respects and that I/we have not withheld any information which I/we are required to share with the Bank for the purpose of processing this Application Form. I/We acknowledge and agree that the Bank is entitled to verify the information either directly or through any third party. I/we understand that the information provided by me/us shall become the basis on which the Bank may in sole discretion grant the facility. I/We hereby undertake to inform the Bank immediately of any change in my / our occupation/ employment or any other details furnished in this Application Form, and to provide any other information that DBS may require. I/We further agree and acknowledge the Bank's right to seek any information regarding this application from any other source in this regard.

(19) I/We hereby expressly authorise the Bank to disclose at any time and for any purpose any information whatsoever relating to my/our particulars, account, deposit, transaction, or dealings with the Bank, to any court of competent jurisdiction, quasi judiciary authority, law enforcement agency, relevant wing of state government, RBI, Income tax authorities, statutory authorities, financial institutions, credit bureaus or any company which is an affiliate or associate or subsidiary or a group company of the Bank. The Bank reserves the right to retain the photographs and documents submitted by me/us and will not return the same to the Applicant/Depositor.

(20) I/We hereby authorise you and give you consent to obtain and verify any information about me/us at your discretion and I/we consent to your disclosure to any third party, any information relating to me/us or my account, credit facilities and affairs as required by such third party or at your discretion from time to time. This consent and provision shall survive the termination of any all of my/our accounts or facilities with you and/or termination of any relationship between me/us and you for any reason whatsoever.

(21) I/We hereby confirm that we have read and understood the Bank's Privacy Policy available on Bank's website, as updated from time to time.

(22) I/We confirm that I/we am/are not (an) undischarged bankrupt(s) and there has been no statutory demand served on me/us and that there have been no legal proceedings commenced against, me/us at the time of this application. nor have I/We ever been adjudged insolvent.

(23) I/We understand that approval and grant of the Facility(ies), including quantum and tenure of the overdraft, shall be at the Bank's sole discretion. I/We understand that the Facility(ies) is subject to the Bank's periodic review and customary overriding right of repayment and/or withdrawal on demand.

(24) I/We understand that the interest debited in the account is a demand in itself and must be repaid within 75 days of interest debit, failing which the Bank shall have a right to debit my/our savings account maintained with the Bank or may liquidate the FD(s) linked with the account to the extent of the overdue amount.

(25) I/We understand that without prejudice to any other right or remedy available to the Bank, if there is at any time in the Bank's opinion any material adverse change in my/our financial condition, or if the Bank consider the security charged to be unsatisfactory or inadequate, the Bank shall have the right to demand for additional security and/or increase the pricing of the Facility(ies). In addition, I/we understand that the Bank has the right to withdraw/terminate the Facility(ies) when it deems fit e.g. due to non-utilization of the Facility(ies) for a certain period. I/We understand that the Bank shall be entitled to cancel the undrawn/unused portion of the facility at any time, without any prior notice to me/us, for any reason whatsoever, however, in the event of such cancellation these terms and conditions shall continue to remain effective and shall not affect my/our obligations under these terms and conditions including but not limited to obligation to repay the loan to the satisfaction of the Bank.

(26) I/We agree and understand that the Bank shall be entitled to charge penal and other charges in case of any delay or default in payment or non-payment of any amount payable including but not limited to interest, costs, charges, Penal charges, and expenses, as may be prescribed by the Bank from time to time and such amounts shall be debited to the loan account. I/We understand that in case of my/our failure to make payments for such amounts in default for payment including the penal and other charges within 90 days from the due date of such payment, the loan account will be classified as Non-Performing Asset ("**NPA**") at the 90th day from the due date after maturity and if loan amount exceeds the deposit amount, the Bank will classify the loan account as NPA. In order to regularise the said loan account, I/we shall be liable to pay all the abovementioned amounts in default, penal and other charges, on an immediate basis.

(27) I/We understand that the Bank reserves the right to decline/reject the application without giving any reason(s) whatsoever. I/We acknowledge and confirm that the Letter of Lien on FD(s) will supersede any previous charge on deposit (by whatever name called) executed by me/us in your favour insofar as such previous charge relates to the Facility(ies) that is the subject of this Application.

(28) I/We undertake to pay any out-of-pocket expenses and/or charges incurred in relation to my/our application when my/our application is approved. I/We undertake to pay 2% over the linked term deposit interest rate or the rate as agreed with the Bank for utilizing the Facility(ies). I/We understand and agree that in cases where a single overdraft has been extended against multiple term deposits having different interest rates, the interest rate applicable on the overdraft account will be the rate prescribed by the Bank over and above the highest deposit interest rates of all the term deposit/s.

(29) I/We understand that premature encashment of the FD(s) will not be allowed unless the Facility(ies) is paid fully. No part withdrawal of FD(s) will be allowed. In such cases where the Facility(ies) is fully paid and the FD(s) is/are permitted by the Bank to be prematurely encashed, interest on the FD(s) will be paid as per the Bank's policy on premature withdrawal of FD(s).

(30) I/We understand and agree that in case the Facility(ies) is overdrawn from the sanctioned limit on account of un-serviced interest, then the interest charged for utilizing the unsanctioned amount would be 2% higher than the interest charged by the Bank. I/We understand and agree that in cases where the linked FD(s) and the Facility is under auto-rollover, any enhancement to the limit will be considered proportional to the increase in the principal of the renewed FD.

(31) I/We understand and agree that in case where I/we have opted for the linked FD(s) to be credited on maturity, the linked FD(s) will be credited into the loan account only and post regularizing the Facility, the remaining funds will be transferred to me/us as per the instructions given by me/us.

(32) I/We understand and agree that in case of FD(s) with interest pay out option (monthly, quarterly or any other frequency), the interest on FD(s) will be credited to the loan account. Notwithstanding what is stated hereinabove

the interest on the Facility will have to be serviced on a monthly basis irrespective whether the customer opts for monthly, quarterly or any other frequency for interest pay-out. PO\DD shall not be made for such interest payouts.

(33) I/We understand and agree that the interest payable on the FD(s) either on maturity or on a quarterly/monthly basis will be credited the matured amount to the loan account.

(34) I/We understand and agree that on maturity of SODD/ Demand Loan if interest is un-recovered /not served for continuous period of 75 days, the Bank will exercise its right of set off by liquidating the FD(s) against the Facility without any prior notice. Interest payable on such FD(s) will be as per the Bank's policy on premature withdrawal on FD(s).

(35) I/We further agree that all Applicant and Co-Applicant(s) shall be jointly and severally liable under these Terms and Conditions. I/ We agree and confirm that the end use of the Facility(ies) cannot be towards any speculative, anti-social, illegal or unproductive purposes. I/We also agree that end use of the Facility(ies) also cannot be towards purchase of gold in any form, including primary gold, gold bullion, Gold Jewellery, gold coins, units of Gold ETF and units of gold mutual fund.

(36) I/We hereby indemnify, jointly and severally, and shall keep the Bank indemnified from time to time and at all times against all and any act/actions, claims, proceedings, cost, charges, losses (direct or consequential) and expenses which the Bank may suffer or incur or be put to for any reason whatsoever by reason of the Bank provision of the loan/overdraft facility to me/us. I/We further agree that recovery and collection of the loan/overdraft amount, as well as enforcement of security and all other disputes whatsoever shall be subject to the exclusive jurisdiction of relevant courts in India, to the exclusion of all other courts.

#### **PARTNERSHIP FIRM:**

1. We agree, confirm and acknowledge that:

(a) (i) We are the only partners of the firm named

(ii) Name of the Partners:-

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(iii) the partnership firm is duly registered under the Indian Partnership Act, 1932.

(b) (i) We shall inform you in writing of any changes which may take place in the partnership: (ii) We will not dissolve/reconstitute the partnership firm without your prior written approval.

(iii) We are jointly and severally liable to you for repayment/payment of all amounts in respect of the Facilities to you as also performance of all obligations under the transaction documents.

Any modifications/amendments carried out by us in the partnership shall not be binding on you if made without your prior written approval.

#### **SOLE PROPRIETORSHIP:**

1. I agree, confirm and acknowledge that

(i) I am the sole proprietor/ proprietrix of the concern named

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(ii) I am solely responsible for the liabilities of the aforesaid concern and will be liable personally, for making repayments/payments of all amounts in respect of the Facilities availed from your bank.





## Annexure - 1

FD account No.	Name of the Depositor(s) ("Depositor")	FD(s) creation Date	Final Maturity Date of FD	FD Principal Amount (in Rs.)	Final Maturity Amount (in Rs.)	Interest rate	Auto Renewal (Y/N)
Total							

Name & Signature of the Depositor/s