

**AGREEMENT FOR SECURED OVERDRAFT (SOD) FACILITY**  
**AGAINST GOLD ORNAMENTS**

THIS AGREEMENT is made at ..... this .....  
day of .....  
....., in the year Two Thousand ..... executed by :  
.....  
.....  
.....  
.....  
.....  
.....  
.....

hereinafter called “**The Borrowers**” (which expression shall include wherever the context so required its / their heirs, executors, administrators, successors, and assigns) in favour of **KNS BANK (The Kurla Nagarik Sahakari Bank Ltd.)** which is registered under the Co-operative Societies Act 1960 and having its Regd. Office at 312, Commercial 'A' Wing, Kohinoor City Mall, Kirol Road, Kurla (W), Mumbai - 400 070 and having one of its branch at ..... (hereinafter called “**THE BANK**” which expression shall includes its successors and assignees).

**\*A) FRESH SOD FACILITY**

WHEREAS at the request of the Borrower/s, the bank has agreed to sanction and continue Rs..... (Rupees .....)  
by the of **Secured Overdraft Facility** (for the sake of brevity hereinafter referred to as “**SOD**”) at the branch or any other branches of the bank upon the Borrower/s agreeing to secure repayment of the balance at foot of the said SOD account and the interest thereon and all costs, charges, expenses and all other monies in the manner hereinafter appearing by

**\* (B) ENHANCEMENT OF SOD FACILITY:**

WHEREAS the borrower/s was/were enjoying SOD Facility upto the limit of Rs..... (Rupees ..... only) at the branch and had executed among other documents, the agreement/s after affixing stamp duty of appropriate value thereon.

AND WHEREAS all the aforesaid documents including the Agreement/s are still in continuation and the Borrower/s hereby confirm/s and agree/s to continue the same till the closure of this account.

AND WHEREAS at the request of the Borrower/s, the bank sanctioned/ granted to the borrower/s additional **Secured Overdraft Facility** (for the sake of brevity hereinafter referred to as "**SOD**") of Rs..... Rupees ..... ) by way of **enhancement** in SOD Account at the branch or any other branches of the bank upon the borrower/s agreeing to secure repayment of the balance at foot of the said SOD account and the interest thereon and all costs, charges, expenses and all other monies in the manner hereinafter appearing by executing these presents.

**\* (C) RENEWAL OF SOD FACILITY:**

WHEREAS the Borrower/s was/were enjoying **SOD** Facility upto the limit of Rs..... (Rupees ..... ) at the branch and had executed among other documents, the agreement/s from time to time, after affixing stamp duty of appropriate value thereon.

AND WHEREAS all the aforesaid documents including the Agreement/s are still in continuation and the Borrower/s hereby confirm/s and agree/s to continue the same till the closure of this account.

AND WHEREAS at the request of the Borrower/s, the Bank has agreed to sanction/ renew/continue Rs..... (Rupees ..... ) by way of renewal in SOD Account at the branch or any other branches of the bank upon the borrower/s agreeing to secure repayment of the balance at foot of the said SOD account and the interest thereon and all costs, charges, expenses and all other monies in the manner hereinafter appearing by executing these presents.

**\* (D) REDUCTION OF SOD FACILITY:**

WHEREAS the borrower/s was/were enjoying SOD Facility up to the limit of Rs..... (Rupees ..... ) at the branch and had executed among other documents, the agreement/s from time to time after affixing stamp duty of appropriate value thereon.

AND WHEREAS all the aforesaid documents including the Agreement/s are still in continuation and the Borrower/s hereby confirm/s and agree/s to continue the same till the closure of this account.

AND WHEREAS at the request of the Borrower/s the Bank has agreed to reduce the SOD Facility from Rs..... (Rupees ..... ) to Rs..... (Rupees ..... ) and continue the SOD Account at the branch or any other branches of the bank upon the borrower/s agreeing to secure repayment of the balance at foot of the said SOD account and the interest thereon and all costs, charges, expenses and all other monies in the manner hereinafter appearing by executing these presents.

**Strike off whichever Paragraph inapplicable under Borrower's signatures.**

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

1. Subject to the provisions hereinafter mentioned, the Bank shall open/continue in its books as **SOD Account** in the name of the Borrower/s to the extent of Rs. .... (Rupees .....)  
hereinafter called the “**Said Account**”.
2. In pursuance of the said agreement and for the consideration aforesaid, the Borrower/s covenant with the Bank to pay on demand to the Bank at .....  
or wherever demanded the balance at foot of the said account together with interest at the rates hereinafter provided and also together with all costs, charges and expenses incurred or to be incurred by the Bank, or for the repayment or realization of the entire balance of, for the preservation, defence and perfection of the security PROVIDED THAT nothing in this clause shall deemed to prevent the Bank from demanding payment of the interest for the time being due to other account hereby made debitable to said accounts.
3. For the consideration of aforesaid SOD facilities, the Borrower/s hereby PLEDGE in favour of the Bank, as security for repayment to the bank of all principal monies, interest, all costs, charges and expenses and others monies to become payable hereunder, all those **Gold Ornaments** more particularly described in the **Schedule** hereunder, written (hereinafter for brevity’s sake referred to as “**Securities**”) to the intent that the security and the charge hereby created shall be a security by way of first charge on all such Securities.
4. So long as any monies are outstanding in the said SOD account, the Borrower/s will pay to the bank interest as follows.
  - i) Interest will be calculated on the daily debit balance in the said account from time to time at the rate of .....% p.a. with monthly rests and the Borrower/s shall pay such interest at the end of each month.
  - ii) Penal Interest at the rate decided by the bank will be charged over and above the interest rate stated above, on the outstanding SOD amount for default in repayment, non-timely submission of renewal application or for non-compliance of any of the terms, conditions and rules of the Bank/RBI from time to time.
  - iii) The bank shall be entitled to change, the rate of interest/penal interest and its periodicity in accordance with the banks policy, or as per RBI directives from time to time by publishing the same in any newspaper or on Notice Board of the Bank or made known through an entry in the statement of account and no separate notice or communication will be given to the Borrower/Sureties regarding such revision and the Borrower/s shall be deemed to have consented to such change and the borrower/s hereby agree to pay interest thereinafter at such revised rate / rates.
  - iv) In default of payment of interest as stated above, the same shall be capitalized and added to the principal and shall be treated as an advance to the borrower/s secured by the mortgage hereby created and the bank will be entitled to charge interest at the aforesaid rate on the amount of the debit balance inclusive of interest not paid by the Borrower/s and hence capitalized as aforesaid in addition to charging penal interest at the rate decided by the bank from time to time from the date of default to the date of actual payment of interest in SOD account.

- v) The Borrower/s further covenant that the bank will be entitled to recover the notice/visit charges as fixed by the bank from time to time along with the actual postage. As well, in case of dishonour of cheques, drawal against uncleared effects, or for excess drawals over the limit or drawing power, the bank will be entitled to recover the service charges as fixed by the bank from time to time. Such charges will be debited to the Borrower/s account and the same shall be deemed as an advance secured by these presents, for which the Borrower unconditionally consents.
5. Provided further, without prejudice to the Bank's other rights and remedies that the bank shall be entitled to charge at its discretion, enhanced / additional rate/s of interest on the balance due to the bank for any delay in repayment / adjustment of the loan and / or interest thereon as agreed or in default or irregularity in observing the terms and conditions of this agreement by the Borrower which in the opinion of the bank warrants charging of additional interest for such period as the bank may deem fit.
  6. The Borrower/s shall bring into the credit the SOD account on or before the date of expiry of SOD limit. In case of Borrower/s failure to do so, the bank will treat the account as irregular and overdue, in which case bank may stop operations or recall the advance together with penal interest as applicable.
  7. In the event of breach of any of the terms, it shall be lawful for the bank at any time sell either by public auction or private contract after giving 7 days notice subject to such conditions as the bank shall think fit or otherwise dispose of, deal with at any time or times, the securities or any part or parts thereof and / or to enforce, realize, settle, compromise and to deal with any rights or claims regarding any of the securities without being bound to exercise or non-exercise thereof and notwithstanding that there may be any pending suit or other proceedings, and any and all the acts of the banks in this regard shall be binding on the borrower/s and owners of the securities.
  8. The bank shall apply the sale proceeds towards the SOD account to the extent of the balance due to the bank or so much thereof as shall remain unpaid including interest at the rate as aforesaid until payment and including all costs as between attorney and client, charges and expenses incurred by the bank on any account whatsoever. If the net sum realized by such sale are insufficient to cover the balance due to the bank, the borrower shall be liable forthwith on production to the borrower, a statement prepared by the bank to pay the balance due to the bank.
  9. In the event of there being surplus available of the net proceeds of such sale after payment in full of the balance due to the bank it shall be lawful for the bank to retain and apply the said surplus together with any other money or moneys belonging to the borrower for the time being in the hands of the bank in or under whatever accounts as far as the same shall extend against in or towards payment or liquidation of any and all other monies that shall or may become due from the borrower whether solely or jointly with any other person or persons, firm or company to the bank.

10. The Borrower agrees to accept without question in and out of court / tribunal, a statement of account made out from the papers and / or books of the bank and signed by the manager or other duly authorized officers of the Bank, as conclusive proof of the amount realized by any such sale as aforesaid and of any sum claimed to be due from the Borrower to the Bank under this agreement and of the costs and expenses incurred in connection therewith without the production of any other voucher, documents, papers.
11. The Bank shall not be liable or responsible for any loss, damage or depreciation which the securities may suffer or sustain on any account whatsoever while the same are in possession of the bank during the continuance of this Agreement or thereafter and all such damage or depreciation or pilferage or otherwise howsoever notwithstanding that the securities may be in the possession of or under the control of the bank.
12. The Borrower further agrees that the bank shall have a right of general lien and set off on the other accounts of the Borrower with the Bank either held singly or jointly with others and / or securities in the custody of the bank offered by the Borrower for other advance/s from the Bank or kept in safe custody and that the bank may if deemed fit in case of the SOD account becoming overdue and irregular, liable to set off against the amount available in other accounts and / or dispose of such securities and realize and adjust the proceeds in satisfaction of the dues.
13. The security shall be a continuing security for the balance from time to time due by the Borrower/s to the Bank on the said account which is not to be considered as closed for the purpose of this security and the security not to be considered exhausted by reason of the said account being brought to credit at any time or from time to time or its being drawn upon to the full extent and afterwards brought to credit and the charge of the bank on the securities will continue unaffected until the said SOD facility is terminated and all monies due hereunder are repaid in full.
14. The Borrower/s shall not make any change in the constitution without obtaining prior written consent of the Bank. However, no change whatsoever in the constitution of the Borrower/s shall impair or discharge the liability of the Borrower/s to the Bank hereunder.
15. Any delay tolerated or any indulgence shown by the bank in enforcing the terms of this agreement or any forbearance or giving of any time to the Borrower/s shall not be construed as waiver on the part of the bank of any breach or non compliance of the terms and conditions of this agreement by the Borrower/s nor shall the same in any manner prejudice the right of the bank.
16. Any demand or notice to be made or given to the Borrower/s may be made or given by leaving the same at or posting the same by post in an envelope addressed to the Borrower/s at their last known place of business or residence or office and every such demand or notice shall be deemed to have been effectively given and received by the Borrower/s, at the time at which stated to have been posted by the Bank's officer or agent and shall be conclusive proof thereof.
17. Nothing herein contained shall operate to prejudice the bank's rights and remedies in respect of any present or future security, guarantee or obligation for any liability of the borrower/s to the Bank.

**THE SCHEDULE ABOVE REFERRED TO  
(Description of Securities)**

Sr. No.	Description of Ornaments	No. of Articles	Weight (Grams)	
			Gross	Net
	<b>TOTAL</b>			

**IN WITNESS WHEREOF** the borrower/s has / have executed these presents on the day and year first hereinbefore mentioned.