**Letter of Continuity for DPN in respect of operative credit limit/**

Stamp as an Agreement

**Working Capital facility**

From **Date: 28-Aug-2021**

**Mr Vivek Kumar Mahesh (Borrower)** **Place: Avalpoondurai**

**36 Soriyampalayam Vazhaithottam Sivagiri**

**Erode Tamil Nadu - 638109**

**Ananthan Viswanathan (Co-Borrower)**

**5/18 Main Street Thottipalayam**

**Erode Tamil Nadu - 638107**

To

The Branch Manager

Indian Overseas Bank

Avalpoondurai Branch

Dear Sirs,

Sub: Nature of credit facility: Kisan Credit Card

Credit facility - limit : Rs **1,00,000.00** (**Rupees One Lac Only**)

Amount of DPN : Rs **1,00,000.00** (**Rupees One Lac Only**) (Full limit or part in case of enhancement)

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I/We **Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan** submit an On Demand Promissory Note (DPN) for the above mentioned amount signed by me/us which is given to you as security for the repayment of the above credit facility which is at present outstanding in my/our name and also for the repayment of any overdraft/cash credit or any other credit facility to the said extent of the limit, which I/We may avail of hereafter and the said Promissory Note is to be a security to you for the repayment of the ultimate balance or sum including interest, bank’s charges, costs and expenses remaining unpaid on the overdraft/ cash credit or any other credit facility and I am/we are to remain liable on the Promissory Note notwithstanding the fact that by payments made into the account of the overdraft/cash credit or any other credit facility from time to time the said overdraft/cash credit or any other credit facility may from time to time be reduced or extinguished or even that the balance of the said account may be at credit at any point of time.

I/We **Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan** are jointly and severally liable to the Bank as principal debtors and neither me nor my/our heirs, executors or administrators shall be discharged or exonerated by any dealings by me or any one among of us.

I/We **Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan** agree that the Bank is entitled to charge a higher rate of interest than the rate of interest stipulated in the respective sanction terms communicated to me/us as per Reserve Bank of India directives / Bank rules and agree to pay interest at such enhanced rate of interest. The Bank shall have the right to revise / reset the interest rate (MCLR) / spread, any of them or all of them either upwards or downwards.

I/We **Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan** further agree that in the event of default in payment of interest/instalments on the respective due dates or any irregularity in the account or non-complying with any of the terms and conditions contained herein, the bank is entitled to charge overdue interest on the defaulted amount at 2% over and above the contractual/maximum interest rates or at such rates with monthly rests as per the Reserve Bank of India / Bank’s rules in force from time to time.

I/We **Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan** shall be deemed to have received notice of change in the rate of interest whenever the changes in the Bank’s interest rate (MCLR) / Spread are displayed/notified at/by the branch / published in newspaper/made through entry of interest charged in the pass book/statement of accounts sent to me/us. Individual notice regarding the change of interest is expressly waived by me/us.

In case of loans with floating rate of interest, I/We shall abide by the option exercised by me/us and sanctioned by the Bank with regard to reset dates which is linked either to the date of first disbursement of the loan / credit limit or to the date of review of interest rate (MCLR).

I/We agree that the interest rate (MCLR) prevailing on the date of first disbursement, whether partial or full, shall be applicable till the next reset date, irrespective of the changes in the Benchmark during the interim period.

I/We hereby agree as a precondition of the loan/advance given to me/us by the Bank that in case, I/We commit default in the repayment of the loan/advances or in the repayment of interest thereon or any of the agreed instalment of the loan on due date/s, the Bank and/or Reserve Bank of India will have an unqualified right to disclose or publish my/our name/s or the name of our company/firm/unit and its directors/partners/proprietor as defaulter in such a manner and through such medium as the Bank/Reserve Bank of India in their absolute discretion may think fit.

I / We **Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan** hereby undertake and covenant that the Bank may avail the services of the statutory auditors engaged by me / us from time to time for the purpose of obtaining Stock Audit / Balance Sheet / A&L Statements / Certification of end use of funds / Progress Reports / Operating Statements/ Inspection Reports and other such financial statement(s) duly certified on quarterly basis. In the event of any of these certification / statement(s) turning out to be incorrect / fudged / false, Bank is at liberty to initiate all / any kind of legal action against me / us and as well as the Auditors, after giving prior due notice of 7 days. I/ we specifically undertake that all extant Reserve Bank of India guidelines, modified from time to time would be binding upon me / us and my / our Auditors.

The borrower Company agrees and undertakes that No Director / Partner / Member / Trustee, as the case may be, of the borrower has been declared to be a wilful defaulter and neither the name of the Borrower nor its Director(s) figure in any list of defaulters circulated by RBI or any Bank and financial institution or any Credit Information Companies and if such a person is found to be in the Board of the Borrower Company, expeditious and effective steps will be taken for his / her removal from the Board.\* (\* Applicable in case of corporate borrowers)

Yours faithfully,

Signature

**Mr Vivek Kumar Mahesh** and **Ananthan Viswanathan**

In case of any discrepancy between the English version and translated

Version in other languages. English version shall prevail.

# **F 16 (Revised)**