

Stamp as on Agreement

Composite Hypothecation Agreement for Agriculture Finance

1. This agreement is executed this _____ day of _____ 200__ in favour of Bank of Baroda, a body corporate constituted under the Banking Companies (acquisition and transfer of undertakings) Act 1970, having its head office at Mandvi, Baroda and one of its branches at _____ (hereinafter called the "Bank" which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) by

Shri / Smt.	Son / Daughter / Wife of	Full address
M/s.		having its registered office at

(hereinafter referred to as "the borrower/s" which expression shall, unless repugnant to the context or meaning thereof, include his / her / their legal heirs, executors, administrators, successors and assigns jointly and severally).

2. Whereas at the request of the borrower/s as stated herein above and as contained in his/her/their application for loans, the Bank has granted / agreed to grant the following loan facilities :

i.	Crop Loan of	Rs. _____
ii.	Demand loan of	Rs. _____
iii.	Term loan of	Rs. _____
iv.	Cash credit facility of	Rs. _____
v.	Any other facility of	Rs. _____
	Total	Rs. _____

3. Now in consideration of the premises, the borrower hereby hypothecates and creates first charge in respect of crops including standing crops (present and future) on the land, live- stock, etc. described in schedule I and also on all the receivables, agriculture implements, viz. tractor and trolley including all movable plant and machinery and spares, both present and future, as stipulated in terms and conditions in the Bank's sanction advice to the borrower dt. _____ hereinafter referred to as security/ies as described in second schedule with an intention to secure the credit/loan facility as applicable. The security shall cover the principal sum advanced, interests, costs, charges, expenses, liquidated damages and other monies payable by the borrower under these presents.

4. The borrower shall pay interest and interest tax, if any \$, on the different facilities as under :
(if BPLR is not applicable, please specify the rate of interest as per sanction)

- i. Crop loan @ _____% over/below BPLR p.a. with _____ * rests.
 ii. Demand loan @ _____% over /below BPLR p.a. with _____ * rests.
 iii. Term loan @ _____% over /below BPLR p.a. with _____ * rests.
 iv. Cash credit @ _____% over /below BPLR p.a. with _____ * rests.
 v. Any other credit facilities @ _____% over /below BPLR p.a. with _____ * rests.

\$ Present Rate of Tax on Interest is _____%.

* Monthly / Quarterly / Half Yearly / Yearly

Present BPLR is _____%.

5. The interest rates are subject to changes as per the instructions/directives of the Bank /Reserve Bank of India from time to time. The borrower/s hereby agree/s to such changes in the interest rates and this agreement shall be construed as if such changes in the interest rates have been agreed to be paid by the borrower/s and for this purpose, no notice shall be necessary to be given to the borrower/s.

The Bank shall be entitled to charge penal interest @ _____% p.a. above the rate applicable to above mentioned loan facilities in case of default of payment or noncompliance of any of the terms and conditions of sanction by the borrower.

6. I/We agrees to repay the loan facilities in the following manner :
- i. The Crop loan will be repayable by _____ months period ending on _____.
 - ii. Demand loan shall be repayable in _____ monthly / quarterly / half yearly / yearly instalments of Rs. _____ each commencing from _____ with interest.
 - iii. The principal term loan will be repayable in _____ monthly / quarterly / half yearly / yearly instalments of Rs. _____ each commencing from _____ with interest.
 - iv. The cash credit limit will be operated by the borrower regularly especially by deposits and withdrawals as per schedule mutually agreeable to both borrower and the Bank.
 - v. The other credit facilities will be repayable in _____ monthly / quarterly / half yearly / yearly instalments of Rs. _____ each commencing from _____ with interest.
7. In the event of default in payment of any instalment/interest for _____ months from its due date, the Bank shall be entitled to accelerate payment thereof as may be deemed fit or the Bank may alternatively recall the entire facility at short notice. In the event of foreclosure/prepayment of the loan Bank shall be entitled to charge _____ % towards Premia on prepayment.
8. I / We, however, understand and agree that Bank is entitled to recall the entire loan facility at any time without assigning any reason and further that any money due and / or payable to the Bank and received by the Bank shall be appropriated in the manner as may be deemed fit by the Bank.
9. In case of any default in repayment by the borrower of the due amounts, Bank shall have rights to enforce the securities as mentioned in the schedules I & II hereunder. In order to keep the securities free from all encumbrances, the borrower undertakes to pay all the rent, rates, assessments, taxes, revenues, statutory charges, premiums and any other charges regularly to concerned authorities to keep it enforceable and give proof thereof to the Bank. In case of default in payments the Bank shall be entitled (but not bound) to pay the same and get the amount reimbursed by the Borrower including by debit to the borrowal account. I/we shall keep the securities herein free from any other encumbrance/s, i.e., other than that in your favour, at all times during the currency of the advance and I/we shall not alienate the same without your prior written consent.
10. This agreement and demand promissory note for Rs. _____ Rupees _____ signed by me / us in favour of Bank against i. Crop Loan of Rs. _____, ii. Demand loan of Rs. _____, iii. Term Loan of Rs. _____, iv. Cash Credit of Rs. _____ & v. any other credit facility _____ (please specify) of Rs _____ is to be treated as continuing security for the balance, interest, costs, charges, expenses, liquidated damages and other monies from time to time due to the Bank and the said loan account / s is not to be considered to be closed for the purpose of this security and security is not to be considered exhausted by reason of the said loan account / s is/are brought to credit at any time or from time to time. The said account/s will be operated by _____ and the indebtedness caused by such drawings from time to time shall be binding on me/us.

11. In reference to the loan amount of Rs. _____ sanctioned to me / us by the Bank against the cost price for the purpose of _____ hereby irrevocably authorise Bank to make direct payment of Rs _____ on my/our depositing margin money of Rs. _____ to suppliers I / We undertake to produce invoice bearing my / our signature in token thereof having received the above assets to my/our satisfaction.

I/we shall ensure to maintain a security margin of not less than _____% at any point of time and the Bank shall calculate and fix the drawing power accordingly in the said account/s from time to time normally based on the statement/s submitted by me/us.

12. The borrower/s hereby agree/s that Bank shall have lien or right of set off on all the securities and / or monies whatsoever at any time by the Bank on the accounts or to the credit of borrower/s and / or on the monies which Bank receives from the borrower's debtors or from creditors to whom borrower/s had supplied the goods / sold the agriculture produce or products. The Bank shall have liberty to collect all the receivables meant for the borrowers from his / her/ their debtors. Such right of Set-off/Lien shall extend to all the monies/assets/other valuable security regardless of whether or not the same is/are given as security to a particular credit facility/ies. Any general or special lien to which the Bank is or may be by law or otherwise entitled or any rights or remedies of the Bank in respect of any present or future indebtedness or liabilities or guarantee obligations of the Borrower to the Bank shall continue to be in force and effect and it shall be open to the Bank to enforce or have recourse to such rights or remedies or securities without being bound to enforce any security, rights or remedies under this Agreement.
13. I/we shall at all times keep such items of securities insured against the loss or damage by fire or natural calamities and other risks as may be required by the Bank and duly assigned policies in Bank's favour shall be delivered to the Bank. It shall also be lawful for, but not obligatory upon the Bank to insure or to keep insured the securities by debit to the borrower's accounts. All the securities charged herein shall be in addition to, and not in substitution of, any other security/ies available to the Bank.
14. I/We further agree, declare, undertake, assure and confirm that the following is the exhaustive list of my/our legal heirs with his/her/their full address/es, and the said list is furnished to enable the Bank to take steps for recovery of its dues from any one/some / all of them in the event of my/our demise, or of any one or some or all of us during the currency / pendency of such credit facilities extended by the Bank.

Name of the Borrower/s	Age	Names of Legal Heirs	Age	Relationship with the Borrower	Address/es	Occupation/ Vocation of legal heirs

I/We further agree, undertake and assure that I/We shall promptly inform you in writing of any change in the above particulars of my/our legal heirs that may be occasioned by birth, death, marriage, etc. and / or, on account of any amendment / change in the general statutes/laws of the country.

15. That I/we shall get Bank's lien/charge registered with appropriate Govt./Revenue/other Authorities / Regional / Distt. Transport Authorities in case of tractor or any other machinery of registerable nature and charge on agricultural land if charge is registerable as per applicable State Laws and as may be required by the Bank and shall produce proof of such registration to the bank within 7(seven) days from the date of such registration. I/we also appoint the Bank as my/our true and lawful attorney in his/her name and his/her behalf to do or execute all or any of the following acts, deeds and things :
- i. to take possession, sell, transfer in its name or other-wise dispose of tractor, trolley or any other vehicle or machinery or agricultural implement/s to be purchased by me/us, the details of which shall be provided by me / us to the Bank which shall form part and parcel of this instrument and also to execute any deed of transfer in favour of purchaser in respect of hypothecated tractor, trolley, vehicle or any other machinery or agricultural implement/s.
 - ii. to sign all papers concerning registration / replacement/transfer/sale of the above assets and conduct all necessary correspondence with transport deptt. or any other authority and to sign the transfer form needed to transfer the said assets in the record of transport deptt. or any other authority.
 - iii. until the said assets is/are sold and/or transferred as herein-above provided to insure and keep the same insured with any Insurance Co., against all party risk and to pay premium therefore and further to incur the required expenses over the repairs and maintenance for keeping the same in good and serviceable condition at our cost.
 - iv. I/we shall maintain the hypothecated/otherwise charged assets in good and saleable condition and shall deposit into the account/s the sale proceeds of hypothecated assets in entirety. Insurance claim, wherever applicable, as and when settled in my/our favour and received by me/us shall be forthwith deposited into the above account/s with the bank in liquidation of the dues therein. Proper books of accounts shall be kept maintained for all the transactions made with regard to the assets charged to the Bank in whose favour the related Book Debts shall stand charged and necessary Power/s of Attorney executed and all requisite formalities completed so as to enable the Bank to receive collect Book Debts receivables directly from my/our Debtors as may be desired by the Bank.
 - v. I/we shall accept without question the accounts of such sale or sales or other transactions signed by any agent or other authorised officer of the Bank as sufficient proof of the amount realised or due under the sale or sales or transactions and the costs, charges and expenses incurred in connection therewith.
 - vi. I/we further appoints and constitutes Bank as its agent through any of its officer/s to do any requisite acts, deeds and/or things for safeguarding bettering the security and also for issuing advertisements, declarations of sale of security created hereunder at our cost.
 - vii. this power of attorney shall be irrevocable until cancelled in writing by the Bank and I/we further hereby confirm to ratify all that the Bank / its attorney does on borrower's behalf.
 - viii. I/we shall pay all related charges such as law charges, costs as between Attorney and Client, and Inspection charges for Asset Inspection/verification in regard to these premises.

- ix. I/we hereby irrevocably authorize the Bank to take possession of the assets charged for disposal and realization thereof and appropriation of the proceeds towards the dues in my/our advance account/s as also to appoint/act as Receiver in that respect at my/our cost.
- x. I/we shall not call in question any loss, depreciation diminution in value, shortage, damage, etc. caused to the assets given as security to the Bank but shall accept the asset/s or realization proceeds thereof without any protest or demur.
- xi. I/we shall produce to the Bank promptly and regularly the Rent receipt/s in respect of my/our shop, place of storage (godown) or any other place used for business purposes.
- xii. I/we agree that Bank's name Board shall be affixed/placed in a conspicuous position at the place of business as well as at the place of storage, processing etc. wherever the assets are lying. I/we shall also segregate and keep separately the assets charged to the Bank and/from those obtained by me/us for/on sub-contracting job.
16. I/we shall
- deal exclusively with the Bank.
 - submit stock statements/quarterly statements in the stipulated time and in the prescribed manner and in case of delay or default in submission, to pay penal rate of interest as per Reserve Bank of India/Bank's guidelines.
 - allow Bank to carry out inspection and valuation of the hypothecated securities at periodical intervals and to bear the inspection charges and other incidental charges incurred by the Bank in connection therewith.
 - route all the sale proceeds of the security through the Bank and that during the currency of the facility(ies) we shall not avail credit facility(ies) elsewhere without prior written permission of the Bank.
 - utilise all the moneys borrowed from the Bank solely and exclusively for the purpose for which they were/are lent failing which the bank shall be entitled to recall the advance in full at any time.
17. I/we hereby state and confirm that I am/each one of us is empowered by the other/s to admit and acknowledge his/their liability to the bank by any payment into the account/s, acknowledgement, admission or balance confirmation made by any one of us.
18. I/we shall comply with all Central, State and Local environmental laws, rules and regulation and in case of default thereof shall indemnify the Bank against loss, damage, etc. that may be occasioned caused owing to the same.
19. I/We also give hereunder particulars of immovable properties belonging to me/us which have not been charged to the Bank as security for credit facilities granted to me/us.

Sr. No.	Particulars of immovable properties with full address (where situated)	In whose name the property stands	Present encumbrance	Whether leasehold / ownership	Present market value (Rs.)
1					
2					
3					
4					
5					

- 20 (i) I/We, hereby agree and give consent for the disclosure by the bank of all or any such :
- information and data relating to me/us.
 - the information or data relating to any credit facility availed/to be availed, secured/to be secured by me/us, and
 - default, if any, committed by me/us, in discharge of my / our such obligation, as the bank may deem appropriate and necessary, to disclose and furnish to Credit Information Bureau (India) Ltd. and any other Authority/agency, including Reserve Bank of India.
- (ii) I/We, declare that the information and data furnished by me/us to the bank are true complete, update and correct.
- (iii) I/We, undertake that
- Credit information Bureau (India) Ltd. and any other Authority/agency may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them, and
 - The Credit Information Bureau (India) Ltd. and other Authority/agency may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit guarantors or registered users, as may be specified by the Reserve Bank in this behalf.
21. It is hereby consented by me/us that in case of any default committed in repayment of the loan facilities and interest due from time to time, the Bank and /or Reserve Bank of India (after collecting the details from the Bank) will have an unqualified right and liberty to disclose and publish the names of the borrower/s as defaulters in such manner and through such medium/s as the Bank and Reserve Bank of India, in their absolute discretion, may think fit. The information regarding the status of our account/s security/ies or any other information may also be revealed to Reserve Bank of India and Enforcement Directorate, CBI, Police Authorities or any other Govt. and statutory authorities and if required along with our photographs for any purpose whatsoever.
22. All notices to be served on me/us shall be served at the address recorded in the books of the bank. I/we shall keep the bank duly informed well in advance of change of address/es if any promptly.

SCHEDULE - I

Hypothecation of Standing Crops, Plantation or Horticulture Crops, Livestock / Stock etc. (Present and Future on the land mentioned below) :

District	Village	Survey No.	Measurement		Type of Ownership	Name of the Crops to raise / stock
			Acre	Gunthas		
Total						

(Boundaries of land as mentioned in Revenue Records)

SCHEDULE – II**Schedule of Securities****(A) Stock and Machineries**

List of Agriculture implements viz. tractor, trolley and any other movable plant and machineries, Agriculture machinery, agricultural implements, agricultural inputs such as seeds, fertilizers, insecticides, stocks (raw materials, in-process and finished goods), book debts, etc.

Name of Stock / Machineries	Specific Details

(B) Agriculture Land (Under Lien or Mortgage)

District	Village	Survey No.	Measurement		Agriculture land in whose name
			Acre	Gunthas	

In witness whereof the borrower(s) has/have set his/her/their hand(s) to these presents on the day and year first above written.

X-----
X-----
X-----
X-----

Signature / Thumb Impression of Borrower/s

Note :- In case this document is NOT in vernacular, please add this foot-note :

“The contents of this Agreement have been read over and translated into _____ (language) and explained to the borrower(s) and he/she/they, having understood the contents thereof, subscribe(s) to these presents.”