DEMAND PROMISSORY NOTE

Rs..... Place .....

Dated.....

On demand. I promise to pay The Jalandhar Central Cooperative Bank Limited B.O.....or order the sum of Rs..... (Rupees.....) being the amount of Cash Credit Limit raised for the purpose of consumption and other socio-economic need & with interest thereon at the rate of .....percent P.A. from the date of drawal to the date of payment in full with half yearly rests i.e. 30th Sep. and 31st of March each year.

I, also undertake to pay penal interest @3% over and above the normal rate of interest in case 1 fail to abide by the term and conditions of the agreement and sanctioned letter.

I also undertake that any change in the rate of interest panel rate of interest by the Bank shall be acceptable and binding upon me.

(Four)
(Revenue Stamps)

.....

Signature of the Borrower

Name.....

S/o.....

Village.....

Teh.....

Distt.....

CASH CREDIT AGREEMENT

An Agreement this day of.....20..... between Sh..... S/o Sh.....Vill.....Teh..... Distt.....(hereinafter called the borrower which expression shall include its sucessor and assign) of the one part and The Jalandhar Central Cooperative Bank Ltd. having one part of its branches at.....(hereinafter called the Bank which expression shall include its sucessor and assigns) of the other part whereas at the request of the borrower the bank has agreed to advance to the borrower by way of cash credit accommodation for repair and purchase of agriculture machinery and equipments, purchase of pesticides etc. consumption purpose and other socioeconomic needs from time to time such such not at any time exceed Rs.....(Rupees.....) in the manner and to the extent hereinafter mentioned now, it is agreed by and between the parties hereto as follows :-

1. That the Cash Credit Limit shall be operative for one year in the first instance. The same can be renewed further if the operation on the limit are satisfactory at the discretion of the bank.

2. That the bank shall not under this agreement be required to make advance exceeding the sum of Rs..... inclusive of interest and other charges at any time.

3. That the intt. at the rate.....percent per annum shall be calculated on the daily balance of the said cash credit limit account untill the same is fully liquidated and shall be charged to the account half yearly on the last working day of September and March each year and it will form part of the principal and will earn interest at the above rate. The interest rate, however, shall be subjected to such variation as may be fixed by the bank from time to time.

4. That the borrower agrees that in case of default of any amount, he shall pay penal intt. @ 3% over and above the normal rate of the interest on the amount.

5. That on demand being made by the bank on any earlier date, the borrower shall pay to the bank. The balance then out standing and owing to the bank on the said account inclusive of interest at the rate mentioned above to the date of payment together with all charges and expenses incurred by the bank as ascertained in the books of the said bank which borrower agrees to accept as sufficient proof of the correctness there of without the production of any voucher or paper.

6. That the head office of the bank being at Jalandhar. The bank will be at liberty to sue the Borrower at Jalandhar or any place in Punjab State.

7. That the borrower has delivered to the bank a demand promissory note dt..... of Rs.....duly executed and signed by him to do so to secure payment of the sum which may at any time become due to the bank under this account and this demand promissory note will be continuing security for the Cash Credit amount not withstanding that it may in the meantime of at any time or from time or from time to time be brought to Credit until notice in writing that the same is given by the bank to the borrower.

8. That the borrower has mortgaged his.....Acre of land in favour of the bank to avail the cash credit limit which is free from all encumbrance and the mutation of the same have been recorded in the revenue record. The said property will not disposed off by the borrower in any way till the entire loan of the Bank along with interest and other expenses is repaid. The said property will remain under cultivation of the borrower and will not be given on rent by him till the realization of the bank loan.

9. That the borrower will pay taxes etc, to the Govt. well in time and he/she fails to pay the same, the bank will pay the amount when required to do so by debiting the cash credit account.

10. The bank shall always be at liberty to stop making advances at any time without assigning any reason, even through the said limit of Rs.....has not been fully availed of.

11. That the borrower shall not be entitled to any interest or any sum which at any time stand to their credit in this account.

12. In case of any dispute arising out of this agreement the borrower shall be bound by arbitration under The Punjab State Co-op. Societies Act. 1961 and The Punjab State Co-op. Societies Rules 1963 and bye laws of the bank as amended from time to time and under takes not to resort to any civil suit for decision of the dispute.

13. That in case the borrower failed to repay the loan and the bank had to realize the loan by selling the land mortgage in favour of the bank but the amount so realized is not sufficient to liquidate the loan in full, then the bank shall have every right to recover the loan from the borrower be selling the properties of the borrower or from any dues receivable by him from any quarter.

14. That the borrower will abide by the bye-laws of the bank, The Punjab State Co-op. Societies Act. 1961 and rules, there of all other conditions as member of the bank.

15. That in case of any dispute between borrower and the bank, the borrower shall be liable to pay cost having been incurred by the bank and the same shall be debited to the Cash Credit account of the borrower.

16. That the repayment in Cash Credit Limit shall be at least equal to the drawls or maximum limit sanctioned which ever is less during the year otherwise it will be treated as overdue and penal rate of interest @ 3% P.A. shall be charged over and above the normal rate.

17. That the terms and conditions given in the sanctioned letter of the bank shall also form part of this agreement.

18. That the bank shall have the right to set off any credit in the name of the borrower in any account with the bank or its any branch against the debit balance of the cash credit limit without any notice to the borrower.

Signature of the Borrower

Place :

Date :

1. Witness :

Name

S/o Sh.

R/o

Teh. & Distt.

Name

S/o Sh.

R/o

Teh. & Distt.

2. Witness :

Name

S/o Sh.

R/o

Teh. & Distt.

For and on behalf of The

Jalandhar Central Co-op Bank Ltd.

Branch Manager

B. O.....

LETTER OF CONTINUITY

Whereas on.....20..... The Jalandhar Central Co-op. Bank Limited. B.O.....herein after reffered to as bank has agreed to open a pesticides etc. and for consumption purpose not exceeding.

Rs.....(Rupees.....) in the Name of Shri.....S/o Shri..... Resident of Village..... P.O..... Teh.....Distt Jalandhar herein after referred to as the borrower & member on such terms and conditions as have been set out in the Cash Credit Agreement (Consumption purpose) dated.....between the member and the bank in consideration of the said sum, the member has delivered to the Bank Demand Promissory Note for the sum of

Rs.....(Rupees..... ....)

I hereby agree to undertake that the said promissory not for

Rs.....

(Rupees.....) shall operate as continuing security for all money exiting and further which may at any time hereafter become due in the said Cash Credit Account, not withstanding that it may in the meantime of from time to time brought to credit.

Signature of the member (Borrower)

Place :

Dated :

S/o

Village

P. O.