



ಸರ್ ಎಂ. ವಿಶ್ವೇಶ್ವರಯ್ಯ ಕೋ-ಆಪರೇಟಿವ್ ಬ್ಯಾಂಕ್ ಲಿಮಿಟೆಡ್  
**SIR M. VISVESVARAYA CO-OPERATIVE BANK LTD.**

CORPORATE OFFICE : # 109, Shankarmutt Road, Shankarapuram, BANGALORE - 04.

**APPLICATION FOR LOAN /CASH CREDIT ON  
HYPOTHECATION OF STOCKS IN TRADE, PLANT AND MACHINERY  
TERMS AND CONDITIONS**

1. The application should be having Cash Credit / Current Account as also a Deposit in Cash Certificate account with the Bank.
2. The application should be clearly and fully filled with all particulars.
3. A proforma invoice in case of purchase of stock-in-trade, machinery etc, and the following documents are to be submitted along with the application.
  - a) Copy of Registration Certificate, Licence, permission from competent authority. Financial statements for the past 3 years duly audited.
  - b) Sales Tax, Income Tax Assessment Order.
  - c) Project and feasibility report on the proposed Venture / Industry / Trade.
  - d) Valuation report of stock.
  - e) Inspection report and such other information required by the bank.
4. The applicant shall furnish surety or sureties and any other collateral securities required by the Bank, and such person should not have stood as surety to others.
5. Salary Certificate /Pay Cover /Salary Slips / Income Tax Assessment Order of both Applicant and Sureties should be produced.
6. The applications received with the information upto 10th of each month will be considered during that month.
7. Disbursement of loans will be made after the 5th of succeeding month of sanction.
8. Repayment of Term Loans commences from the succeeding month of availing the loan and has to be made before the 12th of each month, to avoid penal interest.
9. The sanction of the loans will be on the basis of income, repaying capacity, purpose, turn over in the Bank etc., and on the merit of each case.
10. The Bank reserves the right to reject any application without assigning any reasons.
11. The Bank reserves the right to change or later the terms and conditions without giving any notice.
12. The applicant should deposit 25% of the loan on the value of proforma invoice excluding Taxes, Insurance, service charges etc., with the Bank to enable the Bank in case of the loan to issue a cheque directly in favour of the dealer in case of purchases.
13. An amount of 5% of the borrowings must be held as share capital. Hence necessary additional shares should be obtained for considering the application.
14. All charges by way of insurance, service charges, commission etc., shall be borne by the borrower and paid before crediting the loan amount to his account with the bank.
15. The rate of interest charged 16.5% p.a. and if the loan is repayable in fixed monthly instalments, penal interest of 3% will be charged in overdue instalments.
16. In case of default of any instalment for more than 3 months even after notice, legal action will be taken to recover the dues.
17. The materials hypothecated must be adequately insured.
18. In case of cash credit / overdraft, entire amount of overdraft and interest etc., should be paid before completion of one year from the date of availing the facility at first instance even in case of renewal.
19. In case of cash credit, monthly interest at 16.5%, p.a. on the outstanding amount, service charge, insurance amount, if any etc., will be debited to the account itself as on the last working day of each month and sufficient balance shall be maintained for debits and the sanctioned limit should not be exceeded at any time.
20. The members applying for loan shall be deemed to have read, understood and agreeable to terms and conditions of the Bank.



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**SIR M. VISVESVARAYA CO-OPERATIVE BANK LTD.**

CORPORATE OFFICE : # 109, Shankarmutt Road, Shankarapuram, BANGALORE - 04.

## **APPLICATION FOR CREDIT FACILITIES**

(Small Scale Industries, Business and Trade)

Membership No.....

Loan Account No.

Cash / Credit A/c. No.....

Current Account No.....

To.

The Manager,

I / We hereby apply for a Tern Loan / Cash Credit / Bills Discounting limit Rs.....  
for the purpose of purchase of stocks, plant and Machinery/working capital and furnish the following  
particulars for your reference.

1. Name of Applicant / Concern  
Are / Date of Establishment

2. Nature of Business / Trade

Manufacturing / Processing Trade / Business

3. Constitution of concern

Proprietary / Partnership

4. Address and Phone No.  
of Office / Factory

5. Address and Phone No.  
of Residence

6. Name, Age, Address of each  
Partner / Proprietor

7. Residential address of Partners/  
Proprietor and Phone No.

8. Qualification, experience and  
aptitude of the applicant

9. Period of existence of  
the Trade / Industry

10. Marketability and condition  
of goods

11. Area of the Business

12. Quantum and duration of facilities required :

a) Term Loan of Rs.

Instalments

b) Cash Credit Rs.

period 1 year

c) Discount of Cheques / Bills limit

period 1 year

13. Purpose of Advance

14. Particulars of Machinery /Equipments to be purchased :

a) Value of Rs.

Whether list is attached

Yes / No

b) Less Taxes

75% of a

15. Own Investment Rs..... Details of security offered, value of stocks and machinery after depreciation Rs.....L.I.C. Policy for Rs..... Paid up value is ..... Surrender Value Rs.....value of other securities if any ..... of Movable and Immovables.

16. Borrowings from other Banks	Bank	Nature of facility	Amount
.....	.....	.....	.....

17. Any Liability in the Bank as ..... Borrower / Co-obligant .....

18. Turn over of business and Tax paid from past three years-

Year	Turn over	Sales Tax	Income Tax	Net Profit
1. ....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....
3. ....	.....	.....	.....	.....

19. Probable date of drawing loan / C.C.

20. Name of Guarantors 1..... 2.....  
 Occupational Address 1..... 2.....  
 Gross Income 1..... 2.....  
 Net Income 1..... 2.....  
 Movable and Immovable Assets if any

21. Residential Address 1..... 2.....  
 of the Guarantors .....

**22. Document enclosed :**

- |                                 |          |   |          |
|---------------------------------|----------|---|----------|
| 1. Registration Certificate     | Yes / No | 6. Proforma of invoice of items to be purchased | Yes / No |
| 2. Partnership deed             | Yes / No | 7. Stock Statement                              | Yes / No |
| 3. Licence No                   | Yes / No | 8. Statement of A/cs.                           | Yes / No |
| 4. Income tax / Sales tax       | Yes / No | 9. L.I.C. Policy No.                            | Yes / No |
| 5. Project & feasibility report | Yes / No | 10. Other Securities                            | Yes / No |

**NOTE :-** I/We hereby declare that the statements detailed above are correct and that we abide by Bye-laws and rules of the Bank which are in force from time to time. I/We agree to indemnify the Bank in case of any loss to the Bank on my/our account. We also authorise you to deduct amount necessary for additional share for shareholding from the Loan/O.D.A/c. We provide sufficient funds in the account for adjusting towards service charges, interest etc.

1.

2.

**GUARANTORS**

**DATE.....**

**APPLICANT/S**

**OFFICE NOTE on Loan /C.C. Application of Sri / Smt.....**  
**for a loan of Rs .....and C.C. of Rs. ....**

Particulars	Applicant	Co-obligant /Guarantor
1. Name	.....	.....
2. Share Amount and M. No.	.....	.....
3. Other Assets	.....	.....
4. Occupation	.....	.....
5. Gross Income from all sources	.....	.....
6. Net Income from all sources	.....	.....
7. Liability if any, with us	.....	.....
8. Liability with others	.....	.....
9. Value or security offered	.....	.....
10. Whether assessed for Income Tax/Sales Tax	Yes/No	Yes/No

11. Financial position for three years ;

Year	Total Turn over	Turn over in Bank	Income Tax	Sales Tax	Net Profit
1. ....	.....	.....	.....	.....	.....
2. ....	.....	.....	.....	.....	.....
3. ....	.....	.....	.....	.....	.....

12. Any other additional information .....
13. Purpose of Loan .....
14. Nature/Constitution of Business .....Type / Firm.....
15. Inspected by .....
16. Recommendation as per Inspection Report.....
17. Whether all documents and required information furnished and charges paid yes/No.

<i>Clerk</i>	<i>Loan Supdt.</i>	<i>Manager</i>
18. The applicant was interviewed, the file was reviewed. Recommended to the Board to sanction a loan of Rs.....C.C. of Rs.....CBD limit of Rs..... by Loan sub-Committee on.....		
<b>President</b>		

19. Additional shares allotted. Sanctioned a loan of Rs..... CBD limits of and C.C. of Rs.....by Board on .....

**President**

20. Execution of Documents after sanction :-
- |                      |                                     |
|----------------------|-------------------------------------|
| D. P. Note           | Salary Recovery Bond                |
| Hypothecation Bond   | Assignment of Collateral Securities |
| Letter of continuity | Authorisation on behalf of firm     |
| Letter of Guarantee  | Recovery of Charges etc.,           |
- Documentation completed, Loan may be disbursed / C.C. be allowed.