

MOST IMPORTANT TERMS AND CONDITIONS (MITC) – OVERDRAFT FACILITY - LAS

The Overdraft Facility (“Facility”) is subject to the regulations issued by Reserve Bank of India (“RBI”) from time to time.

Purpose of Facility

Eligible Individuals may avail the Facility for meeting contingencies or their personal needs and Non Individuals may avail the Facility for their working capital / business needs. The Borrower(s) shall clearly declare the purpose of availing the Facility in their application with the Bank.

Amount of advance

The maximum facility amount that can be availed will be the amount sanctioned by the Bank at its sole discretion. The Bank will review your Account periodically and may modify the facility amount from time to time based on Bank’s internal criteria.

Rate of Interest (ROI): -

Interest will be at the rate as set out in the Facility Letter issued to you by the Bank and such Interest shall be paid in accordance with the Facility Documents/Agreements.

In case the ROI is floating/variable in nature, the ROI may change inter-alia due to change in the Base Rate/ Benchmark Rate of the Bank (as may be applicable). You shall keep yourself informed of such change in ROI from time to time.

Repayment

You shall pay/repay the Facility Balance on or prior to the due dates. The Facility will be considered as fully repaid only when all the dues are paid and the outstanding amount becomes zero.

Mode of Repayment:

Customer can make the payment of fees, interest or repay the dues inter-alia by any of the following below mentioned payment options.

Cheque: Make a cheque or draft in favor of “Kotak Mahindra Bank “& drop in to the ATM’s or at the Partner drop boxes

1. **Transfer from your Kotak Bank Account.:** If you hold a savings / current account with Kotak Bank then payment can be made online at www.kotak.com using Internet banking.
2. **NEFT:** Payment can be made from any of your other bank account/s through net banking electronically if your bank has enabled the NEFT (National Electronic Funds Transfer) facility.
3. **RTGS :** RTGS stands for Real Time Gross Settlement. The RTGS system is primarily meant for large value transactions. The minimum amount to be remitted through RTGS is Rs. 2 lakh or as may be prescribed by RBI from time to time. .
4. **Cash Deposit at the branch:** Payment can be made by depositing cash at specified locations during banking hours.

The payment options will be subject to the terms and conditions of banking services and facilities. Depending on the payment options available, the Customer shall take necessary measures to ensure that payments are credited on or before the due date.

Facility Tenure

Tenure of the Facility would be for a period of 1 year. Upon completion of the tenure, the Bank may at its sole discretion decide to renew/extent/enhance the Facility/limits on such terms and conditions as may be prescribed by the Bank.

Security

The Facility shall be secured with such securities as may be acceptable to the Bank. Such securities must be free of any charge, lock in or encumbrances of any kind from any third party. You shall promptly substitute the security in case such security becomes unacceptable to the Bank in accordance with its policy.

In addition to the security, the Bank may also stipulate one or more guarantees of person(s) acceptable to the Bank or seek any other kind of security as the Bank may deem fit in order to secure the outstanding balance under the Facility.

Margin

By putting margin requirements, the Bank will prescribe the amount of overdraft that may be drawn down or Facility Balance that could be maintained by the Borrower, against the value of securities. Margin shortfall beyond a prescribed limit and period will constitute an Event of Default. Hence required margin shall be maintained at all times until repayment/payment of all amounts outstanding.

The Margin requirement will be reviewed regularly. Bank shall, in its sole discretion, be entitled to vary/change the margins (including on account of any change as may be directed by RBI and/or any other regulatory/statutory body) from time to time or call upon higher margins in terms of the Facility.

Presently, the margin requirement against different types of securities is as below:

Type of Security	Loan to Value
Shares	Upto 50%
Equity MFs	Upto 50%
Debt MFs	Upto 85%
Non-Convertible Bonds	Upto 80%
Life Insurance	Upto 90%

Margins for Open Ended and Close Ended MF units /Fixed Maturity Plans may be acceptable subject to Bank's Policy

Drawing Power

Drawing Power shall mean the least of (i) Maximum Overdraft Limit as mentioned in the Facility Letter, (ii) value of Security provided for Facility less Margin or (iii) the independent operative limit for the Facility as may be decided by the Bank and communicated to the Borrower based on the review/ assessment by the Bank of the Borrower from time to time.

Charges: -

Please refer to following charges applicable to the Facility:-

LOAN AGAINST SECURITIES OVERDRAFT CHARGES	
Rate of Interest	8.5% to 11%
Over-line Interest	18%
Processing Fee (Non-refundable)	For Digital cases - Rs. 1,499/- For Equity (Non-Digital), Debt - MF/FMP/, Bonds – Up to 2% of the Loan/Sanctioned credit limit subject to Minimum of Rs. 2,500/- For other physical securities (LIC / Pvt Insurance policies) – Up to 2% of the Loan/Sanctioned credit limit subject to Minimum of Rs. 5,000/-
Renewal Fee	Rs. 3,500+GST (for non-insurance cases) For (LIC / Pvt Insurance policies) Rs.5,000 + GST
Security Invocation Charges	0.3% of the sell-off value subject to a maximum of 5,000
Maturity Invocation	Invocation charges of Rs.5,000 (only in cases where customers are unwilling to collect the proceeds on their own) For deep geography (remote) locations, a fee up to 1% on the maturity amount will be charged subject to a minimum of Rs. 10,000 and a maximum of Rs. 25,000 (only in cases where customers are unwilling to collect the proceeds on their own)
MF Pledge charges for CAMS- Pledged digitally	Rs. 700+ GST per request
Pledge of shares	Rs. 50 per request
De-pledge of Shares	Rs. 50 per request
Partial release of MF	Rs. 50 per request
Partial release of Insurance Policies	Rs. 50 per request
Sale of security in the event of default	All brokerages, transaction charges and other levies as per actuals
Demat charges	As applicable to the Demat account from time to time
Stamp duty and other statutory charges	As applicable
IVR statement charges	Rs. 50 per request
Rate Reduction charges	Rs. 3,000 + GST
Benchmark change charges	Rs. 10,000+GST

Note:

- ◆ Any other product-specific charges shall be informed separately prior to availing of the Facility. Charges for other Services would be specified as applicable when the Borrower applies for the revalidation of sanction, change in EMI Date, solvency charges, etc.
- ◆ Taxes / other statutory levies may be charged if applicable as per Government / RBI directives.
- ◆ The Bank reserves the right to alter any charges or fees from time to time or to introduce any new charges or fees, as it may deem appropriate by giving prior notice as prescribed by RBI and/or as published on the Bank's website- www.kotak.com.