Secured Loan Agreement (Hypothecation)

Between the lender and the borrower named below. Effective on the date of the last signature.

Lender

FULL NAME

EMAIL

PHONE

PAN

ADDRESS

Borrower

FULL NAME

EMAIL

PHONE

PAN

ADDRESS

Loan terms

LOAN AMOUNT (₹)

DISBURSEMENT DATE

PAID BY

INTEREST RATE (% P.A.)

INTEREST TYPE

TENURE (MONTHS)

REPAYMENT

INSTALMENT AMOUNT (₹)

FIRST INSTALMENT

Conditions

1. Security. The borrower hypothecates the asset described below to the lender as security. The borrower keeps possession and use of it until default.
2. Care and insurance. The borrower will keep the asset in good condition and insured for its full value, naming the lender as loss payee.
3. Enforcement. On default and after 30 days' written notice, the lender may take possession of the asset and sell it at a fair price, apply the proceeds to the debt and return any surplus.
4. Release. When the loan is fully repaid, the lender will issue a no-objection certificate within 15 days and help remove any hypothecation entry (for example on the vehicle RC).
5. Prepayment. The borrower may repay early, in part or full, without penalty unless stated otherwise in

writing.

6. Default. If an instalment is more than 30 days late, the lender may give 15 days' written notice and then demand the full outstanding amount with interest to date.
7. Late payment. Overdue amounts carry additional interest of 2% per annum above the agreed rate until paid.
8. Loans of ₹20,000 or more must be given and repaid through a bank account, UPI or cheque, not cash (Income Tax Act, sections 269SS and 269T).

Security

ASSET TYPE

DESCRIPTION AND IDENTIFIERS (REG./SERIAL NO.)

VALUE (₹)

VALUED BY / ON

Initials

General terms

- Governing law. This document is governed by the laws of India.
- Entire agreement. This document is the whole agreement between the parties on its subject and replaces earlier discussions.
- Amendments. Changes are valid only in writing signed by both parties.
- Severability. If a clause is unenforceable, the rest of the document still applies.
- Notices. Notices may be sent to the email addresses given above and take effect on delivery.
- Electronic signatures. The parties agree to sign electronically; electronic signatures and records are valid under the Information Technology Act, 2000.

COURTS OF (CITY) FOR DISPUTES

Lender

SIGNATURE

PRINTED NAME

DATE

Borrower

SIGNATURE

PRINTED NAME

DATE

Witness 1

SIGNATURE

PRINTED NAME

DATE

Witness 2

SIGNATURE

PRINTED NAME

DATE