

**ADVERTISEMENT FOR ENGAGEMENT OF ENFORCEMENT/ RECOVERY AGENCY  
UNDER THE SARFAESI ACT, 2002**

Date:-30-09-2023

THE MANAGING DIRECTOR  
THE KANGRA CENTRAL COOPERATIVE BANK LTD,  
HEAD OFFICE, DHARAMSHALA-176215

The Kangra Central Cooperative Bank Ltd, Dharamshala invites expression of interest from the eligible entities for engagement of Enforcement/Recovery Agency on Bank's Panel under the SARFAESI Act, 2002. **The application form duly filled in giving complete details along with required documents should be forwarded/ delivered to above address on or before 16.10.2023.**

**I. Submission of EOI:**

Expression of Interest (EOI) from the applicants are invited in sealed envelope superscripted as <Expression of Interest for Engagement of Enforcement/ Recovery Agency under the SARFAESI Act, 2002> .

a) From the applicants who meet eligibility criteria as set out below.

b) Agree to abide by the terms and conditions contained in this request for EOI document.

Sealed envelope containing the application form duly filled in giving complete details along with required documents should be forwarded/ submitted by Post/courier/by hand to the above mentioned address.

**II. Schedule of Events:**

<b>EOI Document Availability</b>	30.09.2023
<b>Last date of receipt of EOI along with supporting documents at Bank's address as mentioned in EOI</b>	'16.10.2023
<b>Contact Person Details</b>	<ol style="list-style-type: none"><li>1. Sh. Rakesh Sharma,DGM (Recovery) 01892-222269 ext-274 mobile 94182-82588</li><li>2. Smt Veenu Sharma, AGM(Recovery) 01892-222269 ext-232</li><li>3. Sh. Surjit Singh Rana, Sr. Mgr(Recovery) 01892-222269 ext- 354, 94181-21001</li><li>4. Sh Babu Ram Gr. IV(Recovery) 01892-222269 ext- 353, 82192-81977</li></ol>
<b>Address for Communication and Submission of documents</b>	The Managing Director The Kangra Central Cooperative Bank Ltd, Head Office, Dharamshala-176215



### III. Eligible Criteria

1. Enforcement Agency & the promoter/key personnel /officials should comply with the following criteria:

- (i) Indian citizen/ entity constituted under Indian Law,
- (ii) No disqualification such as removal /dismissal from enforcement related service earlier or cooling period, if any granted, is not over;
- (iii) Not convicted of any offense and sentenced to a term of imprisonment,
- (iv) Not been found guilty of misconduct in professional capacity or offense involving moral turpitude or otherwise,
- (v) Possesses appropriate infrastructure, supporting information technological systems, professionals and consultants,
- (vi) Not blacklisted by any bank nor any complaint filed against the agency by CBI / Serious Fraud Investigation Cell / Statutory authority / Regulatory authority.
- (vii) Possesses PAN Card / GSTIN as applicable.

2. The agency should be empanelled either as a Recovery Agent or Enforcement Agent with Nationalized Bank/Financial institution/Public Sector Undertaking.

- i. Constitution of the Agency should preferably be a Joint Stock Company or Registered Partnership firms and Proprietorship would be considered exceptionally where our bank is already utilizing the service of the Agency.
- ii. The Management should have qualified professional such as Chartered Accountant, MBA, Chartered Engineers legal professional / retired police personnel etc.
- iii. Memorandum of Association (MoA) of the company/ partnership deed should permit it to act as a Recovery Agent for Banks.
- iv. The Agency should be on panel and providing services as Recovery Agents to at least three Commercial Banks/SFCs/SIDCs/Financial Institutions and other nationalised banks.
- v. The Agency should have offices or presence in the area of operation of Bank with adequate number of officials proficient in local laws/procedures and languages.



- vi. The Agency should not be connected with the borrowers/ guarantors (against whom recovery proceedings is to be executed)
- vii. The Agency should have undergone a training for a period of minimum 100 hours, conducted by the Indian Institute of Banking & Finance (IIBF) and obtain a certificate from the institute before any case is assigned to them by the Bank.
- viii. Enforcement Agents shall confirm that it has complied with all the statutory requirements under the Central and local laws in all the matters relating to the establishment and security of its employees.
- ix. Enforcement Agencies should follow Fair Practice Code given in RBI Circular No.DBOD.Leg. No. BC.104/09.07.007 dated 5<sup>th</sup> May, 2003 and Circular No. DBOD No.BP.40/21.04158/2006-07 dated 3<sup>rd</sup> November 2006 regarding outsourcing of financial services & Code of Bank's commitment to Customers(BCSBI Code)pertaining to collection of Bank's dues.
- x. Enforcement Agencies shall follow SARFAESI Act, 2002 and the Security Interest Rules, 2002 framed there under.
- xi. Eligibility criteria stated above are not absolute and limiting the bank's discretion and Bank is entitled to take into consideration other qualitative and reputational factors for empanelment.

#### **IV. Procedure for engagement**

- 1 The applications shall be on prescribed proforma as per Annexure-I. The application to be accompanied with the photocopies of academic qualifications proofs of experience & PAN of all key members of the agency with address proof.
- 2 The applications shall be evaluated at Head Office of the Bank and placed before Board of Directors for final selection.
- 3 Empanelment shall be at the sole and absolute discretion of the Bank and mere application for empanelment would not confer any right for empanelment and no correspondence in writing will be entertained as to the fate of empanelment.
- 4 Bank reserves the right to restrict the list of entities for empanelment as per Bank requirement.



- 5 The Bank would reserve its right to empanel any Recovery Agency at its sole discretion as well as to reject any offer/request in this regard without assigning any reason thereof.
- 6 The engagement of the agency shall be for deployment any where within the area of operation of the Bank.
- 7 The existing engaged recovery agencies will continue to be on panel on already executed agreement's terms & conditions and on the expiry of exiting term renewal will be considered subject to the satisfactory performance.

## V. Term for engagement

The term of engagement shall for three years which can be extended subject to satisfactory performance of recovery agency by executing fresh agreement. Bank may terminate the agreement in case of any breach of the terms and conditions or any adverse feature on the part of recovery agency being observed by Bank at any time during the currency of arrangement and if the Bank wants to terminate the contract /arrangement at any point of time for any other reasons at the sole discretion of the Bank, the Bank will have the right to terminate the arrangement/contract by issuing of 15 days notice and Bank's decision in this regard will be final and binding on agency. Authorized representative of Recovery Agency shall have to sign a agreement as per the proforma Annexure-II.

## VI. Commercial Terms

For the RA/EA engaged, the commercial terms/charges shall be as under:

### 1. Schedule of Charges

The RA/EA appointed shall charge as per the schedule as under:-

Sr #	Schedule of Charges	
i.	For Recoveries up to Rs. 10 lakhs	4% of the amt. Recovered and min Rs. 12,000/-
ii.	For Recoveries > Rs. 10 lakhs up to Rs. 20 lakhs	Rs. 40,000+3% of the amt. Exceeding Rs. 10.00 lakhs.
iii.	For Recoveries > Rs. 20 lakhs up to Rs.50 lakhs	Rs. 70,000+ 2% of the amt. Exceeding Rs. 20.00 lakhs.
iv.	For Recoveries > Rs.50 lakhs up to Rs.2.00 Crores	Rs.1,30,000+1% of the amt. Exceeding Rs. 50.00 lakhs.
v.	For Recoveries > Rs.2.00 Crores	Rs.2,80,000 +0.5% of the amt. Exceeding Rs. 2.00 Crores.


The GST shall be paid by the Bank.



It will include:-

- (a) Conducting Survey of Property and Security documents.
  - (b) Drafting of demand notice.
  - (c) Drafting of Possession Notice.
  - (d) Taking possession of Secured Assets.
  - (e) Sale Notice and Sale of Property.
2. Fee shall be paid on the amount mentioned in the demand notice/recovered amount without future interest which ever is least and shall be paid only if the amount is recovered through SARFAESI proceedings within the time limit mentioned in para no. 8 of the commercial terms. However the secured creditor can condone the same on case to case basis if the delay is beyond the control of RA/EA.
  3. For preparation of Demand Notice u/s 13(2) of the SARFAESI Act 2002, Rs. 1500/-only shall be paid.
  4. Sometimes the Bank is forced to write off in full or a part of the outstanding amount /or enter into a compromise for settlement of the NPA Account or else the realizable value of the security on Sale may fall short of the outstanding amount and the Bank may be forced to clean its balance sheet by writing off the NPA or otherwise. In such a case the fee payable to the RA/ EA shall not be withheld and the fee calculated on the actual recovered amount shall be paid by the Bank to the EA.
  5. The charges as above are payable to the RA/EA by the Bank and to be recovered from the borrower. The Bank is, however, entitled to appropriate such expenses out of the recovery proceeds under section 13(7) of the SARFAESI act 2002. The RA/EA shall make fullest efforts to recover the fee payable to the Bank by the borrower for invoking SARFAESI action.
  6. No other charges shall be paid by the Bank for the purpose to the company.
  7. Expenses relating to photograph, painter locks and banner/pamphlets and security guards etc. will be reimbursed on actual basis on satisfaction of the Authorized Officer about the need and reasonableness about the same and to be conveyed to the RA/EA in writing.
  8. Time Norms for completion of Work :

NPA Amount	Time Frame for completion of process
NPA up to Rs. 20.00 Lakhs	6 Months
Above Rs. 20.00 Lakhs to less than Rs. 50.00	8 Months



Lakhs	
Above Rs. 50.00 Lakhs to less than Rs. 1.00 Crore	9 Months
Above Rs. 1.00 Crore	1 Year

RA/EA shall complete the whole process of recovering bank's dues in the above mentioned time from the date of allotment of the case by the Authorized Officer failing which the Bank will be at liberty to take appropriate punitive action against the RA/EA including imposition of financial damages/ transfer of the allotted NPA A/C to another EA. However if the delay is beyond the control of RA/EA & the bank then both the parties will settle the same between them. Drafting of notices does not mean allotment of the case.

9. The charges payable will be at the sole discretion of the Bank and can be changed subsequently, without notice and assigning any reasons.

10. The above charges are payable keeping in view the efforts made by the EA .It may be paid as per schedule to any order, direction, injunction of the court, tribunal or any other Forum in this regard.

11. Where the value/sale price of the property is more than the total dues, fee payable will be on the amount appropriate in the loan account and not on the total sale proceeds.

12. If physical possession is not taken within 60 days from the date of receipts of DM's permission for no apparent reason, the Bank will be at liberty to transfer the case to other EA without any further reference.

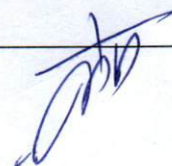
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**Annexure-I**

**(Application form for Empanelment of Enforcement Agency/RA)**

1.	Name of the Applicant:				
2.	Name of the other group firm/company, if any				
3.	Contact Details				
4.	<u>Established since:</u> <u>Constitution:</u> (Whether company / Partnership firm / proprietorship concern) <u>PAN No.:</u> <u>GSTIN No.</u> <u>Name of Bankers:</u>				
5.	Whether registered under any Act				
6.	Membership with Professional Body (if any)				
7.	Whether Registered for GST, PF, ESIC, etc.(If so, mention numbers & date)				
8. Details of Personnel working in EA/RA : (who are to engaged in EA/RA activities)					
Sr. No	Description	Name	Age	Qualification	Experience
a.	Name of Proprietor / Partners / Director(s)				
b.	Name of key functionaries				
9.	Area of Expertise (details) a. Whether the company is a Management consulting firms, accounting firms, firms offering asset recovery management services and NBFCs. Please specify; b. Please specify and give details on expertise in asset recovery management services				
10	Infrastructure of EA/RA :				



a	No. of persons employed : No of partners associated:													
b	No. of persons engaged in EA/RA activity													
c	Out of (b) above, no. of employees;													
	(i) In respect of whom police verification has been carried out													
	(ii) Conversant with the activities related to taking possession and sale of assets under the SARFAESI Act.													
	(iii) Adequate knowledge of the provisions of SARFAESI Act, 2002 [including subsequent amendments] and also well conversant with the duties of Authorized Officer [AO] including support required by them.													
	(iv) Possess thorough knowledge of the extant RBI guidelines and also instructions/ circulars issued by RBI/IIBF/IBA from time to time.													
d	Branch Network of EA/RA Agency: i. State-wise presence (with address of offices) ii. Number of Branches in H.P. [Furnish details viz. addresses, phone & fax numbers and email ID etc].													
e	Turnover and Profit of the Entity for last 3 F.Y. (Rs Lakh)	<table border="1"> <thead> <tr> <th>Year</th> <th>Turnover</th> <th>Net Profit</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Year	Turnover	Net Profit									
Year	Turnover	Net Profit												
11. Details of existing empanelment {Min 3 years with Public sector Banks (PSBs)}:														
	Name of Bank	Details of Details of assignments												



12. Brief details of preceding 3 years experience in EA/RA activity. Please elaborate on the experience with Banks (especially with PSBs)/Financial Institutions/NBFC (if any):	
13. References (Details of at least 3 references from Banks/Financial Institutions/NBFCs)	
(i)	
(ii)	
(iii)	
14. Details of account maintained by agency	
15. Whether the applicant was de-listed from any Banks Panel on earlier occasion. If so, furnish details;	
16. Whether the entity has been put in the negative list by IBA/any public sector bank/Government organization or any of its clients for breach of applicable laws/violation of regulatory prescriptions or breach /deficiency of services. If so, furnish details?	
17. Additional information, if any:	



## UNDERTAKING

I/We,.....(name)Son/Daughter of Shri ....., Proprietor/ Partner/Director of M/s....., state that the information furnished above is true and correct to the best of my/our knowledge. I/We agree, that in the event that any concealment/distortion of facts furnished above is brought to notice of the Bank subsequent to empanelment/appointment by Bank, Bank would be at liberty to terminate the said empanelment/appointment without notice or damages whatsoever.

**(Signature)**

**To be signed by authorized signatory**

**Designation**

### **Enclosures:**

Self Attested copy of following documents:

1. Certificates proving Educational qualifications.
2. Experience Certificate.
3. Copy of Registration, if any.
4. Reference Letters.
5. Copy of Membership of Professional Bodies, if any.
6. Copy of PAN Card / GSTIN, etc.
7. Address proof with Aadhar
8. Memorandum and Articles of Association in Case of Companies/Partnership deed in case of Partnership Firm.



**Undertaking from EA/RA**

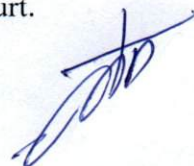
(Notes: (1) To be stamped as an Affidavit in accordance with the local Stamp Law in force in the State in which it is sworn/affirmed before the Magistrate; and (2) To be affirmed before a Notary Public or a Magistrate or any other person competent to administer oaths, who should affix his Official Seal.

*(To be provided at the time of submitting Application form)*

**I, .....son/daughter of ....., am authorized by the .....  
(firm/company) to furnish the below undertaking on behalf of .....  
(firm/company).**

**I, on behalf of ..... (firm/company) do hereby solemnly affirm and state that :**

1. The Firm/Company (also known as "Agency") is an entity constituted under Indian Law and the promoters/partners/key personnel are Indian citizens
2. There has been no disqualification such as removal /dismissal of the agency from service earlier
3. The Agency/promoters/partners/key personnel - have not been convicted of any offence and sentenced to a term of imprisonment,
4. The Agency/promoters/partners/key personnel have not been found guilty of misconduct in professional capacity, or offence involving moral turpitude or otherwise,
5. The Agency possesses PAN Card / GSTIN.
6. The Agency has not been blacklisted by any bank nor any complaint filed against the firm/company before CBI / Serious Fraud Investigation Cell / Court.



7. The Agency shall ensure that there is no any conflict of interest in the assignments entrusted by the Bank and if the Agency comes to know of any such conflict of interest, they shall disclose the same immediately to the Bank.
8. I on behalf of ..... (firm/company) undertake to keep the Bank informed of any events or happening which would make the agency ineligible for empanelment as a Enforcement Agency.
9. I have not concealed or suppressed any material information, facts and records and I have made a complete and full disclosure.

Solemnly affirmed at \_\_\_\_\_ on \_\_\_\_ the Day \_\_\_\_\_ 20\_\_

(Authorised Signatory)

Deponent

Identified By Me

Notary Public



This agreement made at Dharamshala on this \_\_\_\_\_ (date) Day of \_\_\_\_\_ (month) \_\_\_\_\_ (year)

**Between** The Kangra Central Cooperative Bank Limited, a District Central Cooperative Bank registered under the H.P. Cooperative Societies Act 1968 (Act No. 3 of, 1969) having its registered office at Civil Lines, Dharamshala Himachal Pradesh herein after referred as 'KCCB' which expression shall include its legal heirs, successors, assignees, administrators etc.

**And**

**M/S**

\_\_\_\_\_ (Address of the Recovery Agent/Enforcement Agent/ ), a Private limited company, under the name and style of \_\_\_\_\_ (hereinafter referred to as "Recovery Agent/Enforcement Agent (RA)" which expression shall wherever it occurs include its successors and permitted assigns) duly represented by their Director , \_\_\_\_\_ (full name & address).

Whereas "KCCB" in the course of its business has from time to time granted loan and advances to various borrowers either with or without security.

AND WHEREAS the Borrowers to secure their liability under the various loans and advances have executed various agreements/documents in favour of "KCCB" from time to time.

AND WHEREAS the Borrowers have defaulted in repaying the Loan and advances as provided in the relevant agreements/Documents.

AND WHEREAS "KCCB" is desirous of appointing Recovery Agent/Enforcement Agent (RA/EA) for the purpose of carrying out and/or exercising powers under SARFAESI Act as an Agent of the Authorized Officer and otherwise for the purpose of making realization/ recoveries from/out of the Loans/Securities and/or making realization/recoveries of the amount due from the borrowers.

AND WHEREAS Pursuant to negotiations between "KCCB" and Recovery Agent/ Enforcement Agent, it has been agreed to by and between "KCCB" and Recovery Agent/ Enforcement Agent that Recovery Agent/Enforcement Agent shall be entrusted with the responsibility of such recovery and realization and realization upon the terms and conditions hereinafter appearing.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :**

**ARTICLE-I**

**Definitions**

**In this Agreement, unless the context otherwise requires, the following terms shall have the meaning set out therein below:**

(a) "Agreement" means this agreement together with all amendments entered into in writing in respect

thereof from time to time.

- (b) "Benchmark Realizable Value" means amount with respect to each asset pertaining to borrower entrusted to the Recovery Agent/Enforcement Agent, as will be indicated to RA/EA at the time of his engagement.
- (c) "Borrower" means the person(s) who have availed of the financial Assistance and any other person(s) who has/have created/given any security interest, and/or guarantee, to secure the repayment of any financial Assistance.
- (d) "Loan" or "Loans" means the loans, guarantees and any other funded and Non funded financial assistance availed by the borrower(s) from "KCCB" together with interest, compound interest and all other monies whatsoever stipulated in, or payable by the Borrower to "KCCB" in respect thereof ("financial Assistance"), together with any security interest created to secure the repayment of such Financial Assistance.
- (e) "Legal Expenses" shall mean professional services charges, other expenses including court fees, valuation fees, etc. paid/payable to advocates, lawyers, solicitor, legal consultants, in respect of cases and proceedings before appropriate judicial and quasi-judicial authorities for the purpose of recovery/realization of the Loans, security interest and also include for defending in any proceeding(s) in relation thereto against "KCCB" and/or Agent (as the constituted attorney of KCCB , appointed in accordance with this Agreement) and the fees/expenses paid/ payable to Recovery Agent/Enforcement Agent.
- (f) "Recovery Agent/Enforcement Agent" means acting as an Agent of "KCCB" for carrying out and/or exercising all powers under SARFAESI Act and/or otherwise for making realization/recoveries from/out of the loans including undertaking all legally permissible recovery strategy for the purpose of making realization/ recoveries from/out of the loans/securities and/or realizing/recovering amounts due to the Bank from the borrowers/Guarantors or any third party.
- (g) "Recovery" means with respect to each loan, the aggregated amount of realization/recoveries made in respect of the said Loan by the Recovery Agent/ Enforcement Agent.
- (h) "SARFAESI Act" means the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002" and includes any rules,regulations directions or guidelines issued thereunder from time to time, as the same may be amended, substituted or re-enacted from time to time.
- (i) "Secured Assets", Security Interest" have the meaning assigned to the said terms under SARFAESI Act Mutatis Mutandis for the provision of this agreement also.

## ARTICLE-II

- i) "KCCB" hereby appoints Recovery Agent/Enforcement Agent and Recovery Agent/ Enforcement Agent hereby accept the appointment as KCCB's Agent for the purpose of recovery/realization of Loans by one or more of the methods mentioned in Clause 2 below.
- ii) Recovery Agent/Enforcement Agent shall make recovery/realization in respect of Loans by one or more of the following methods, Viz.



- i) By sale of the Secured assets either as one lot or as strip sale.
- ii) By invoking the provisions of SARFAESI Act (it is however clarified that Recovery Agent/Enforcement Agent will only act as an Agent of the Authorized Officer nominated by Bank for exercising powers under SARFAESI Act, 2002).
- iii) To render assistance to the Authorized Officer as nominated under SARFAESI Act and assist in the Recovery process or any other Court of Law or Tribunal or other appropriate forum.
- iv) By such other means or action decided in consultation with/with the consent and under the overall supervision and directions of authorized representative of the Bank in writing.

### ARTICLE-III

#### Commercial Terms:

1. For the RA/EA appointed, the commercial terms/charges will be as under:

#### Schedule of Charges

The RA/EA appointed shall charge as per the schedule of charges as under:-

Sr #	Schedule of Charges	
1	For Recoveries up to Rs. 10 lakhs	4% of the amt. Recovered and min Rs. 12,000/-
2	For Recoveries > Rs. 10 lakhs up to Rs. 20 lakhs	Rs. 40,000+3% of the amt. Exceeding Rs. 10.00 lakhs.
3	For Recoveries > Rs. 20 lakhs up to Rs.50 lakhs	Rs. 70,000+ 2% of the amt. Exceeding Rs. 20.00 lakhs.
4	For Recoveries > Rs.50 lakhs up to Rs.2.00 Crores	Rs. 1,30,000+1% of the amt. Exceeding Rs. 50.00 lakhs.
5	For Recoveries > Rs.2.00 Crores	Rs. 2,80,000+0.5% of the amt. Exceeding Rs. 2.00 Crores.

#### The Service Tax shall be paid by the Bank.

#### It will include :-

- (a) Conducting Survey of Property and Security documents.
- (b) Drafting of demand notice.
- (c) Drafting of Possession Notice.
- (d) Taking possession of Secured Assets.
- (e) Sale Notice and Sale of Property.

2. Fee shall be paid on the amount mentioned in the demand notice / recovered amount without future interest whichever is least.

3. For preparation of Demand Notice u/s 13(2) of the SARFAESI Act 2002, Rs. 1500/-only shall be paid.

4. Some times the Bank is forced to write off in full or a part of the outstanding amount /or enter into a compromise for settlement of the NPA Account or else the relisable value of the security on Sale may fall short of the outstanding amount and the Bank may be forced to clean its balance sheet by writing off the NPA or otherwise. In such a case the fee payable to the RA/ EA shall not be withheld and the fee calculated on the recovered amount shall be paid by the Bank to the EA .

5. The charges as above are payable to the RA/EA by the BANK and to be recovered from the borrower . The Bank is ,however, entitled to appropriate such expenses out of the recovery proceeds under section 13(7) of the SARFAESI act 2002 . The RA/EA shall make fullest efforts to recover the fee payable to the Bank by the borrower for invoking SARFAESI action. .

6. No other charges shall be paid by the bank for the purpose to the company.

7. Expenses relating to photograph, painter locks and banner/pamphlets and security guards etc.will be reimbursed on actual basis on satisfaction of the Authorized Officer about the need and reasonableness about the same and to be conveyed to the RA/EA in writing.

8. Time Norms for completion of Work :

NPA Amount	Time Frame for completion of process
NPA up to Rs. 20.00 lakhs	6 Months
Above Rs. 20.00 lakhs to less than Rs. 50.00 lakhs	8 Months
Above Rs. 50.00 lakhs to less than Rs. 1.00 Crore	9 Months
Above Rs. 1.00 Crore	1 Year

9. RA/EA shall complete the whole process of recovering bank's dues in the above mentioned time from the date of allotment of the case by the Authorized Officer failing which the Bank will be at liberty to take appropriate punitive action against the RA/EA including imposition of financial damages/ transfer of the allotted NPA A/C to another EA. However if the delay is beyond the control of RA/EA & the bank then both the parties will settle the same between them. Drafting of notices does not mean allotment of the case.

10. The charges payable will be at the sole discretion of the bank and can be changed subsequently, without notice and assigning any reasons.

11. The above charges are payable keeping in view the efforts made by the EA .It may be paid as per schedule subject to any order, Direction, injunction of the court, tribunal or any other Forum in this regard.

12. Where the value/sale price of the property is more than the total dues, fee payable will be on the amount appropriate in the loan account and not on the total sale proceeds.



13.If physical possession is not taken within 60 days from the date of receipts of DM's permission for no apparent reason, the Bank will be at liberty to transfer the case to other EA without any further reference.

#### **ARTICLE-IV**

##### **Representations and Warranties**

1. RA/EA and "KCCB" hereby represent that they are duly incorporated validly existing and in good standing under applicable laws and shall abide by the RBI's guidelines on fair practice code for lenders, managing risks and code of conduct in outsourcing of financial services by banks.
2. RA/EA further represents that it has full corporate power and/or authority to enter into this Agreement (relevant only for RAs/EAs who are companies and not for partnership firms).
3. RA/EA further represents and warrants that it shall discharge its duties and functions in accordance with all applicable laws, rules, regulations and directives. Further, that it shall not undertake any activity which is unlawful, illegal and shall take utmost care to ensure that no damage is caused to the assets and Bank is not exposed to any adverse publicity/claims from borrowers/guarantors/third party for their not following the legally permissible means/procedure.
4. The RA/EA shall take steps towards possession of assets of the borrower in a SARFAESI proceeding only in accordance with the provision of SARFAESI Act.
5. The EA will not divulge any information/particulars furnished by the branches to the outsiders and be kept as confidential.
6. This is not an appointment of any kind in the bank. This engagement will not give any right to EA to claim continuation of services as enforcement agent on termination of engagement for any reason. The engagement is purely outsourcing for bank's recovery of dues from borrowers.
7. In case of any breach of the above terms and condition or any adverse feature on your RA/EA being observed by bank at any time during the currency of this arrangement and if the bank wants to terminate the contract /arrangement at any point of time for any other reasons at the sole discretion of the bank,the bank will have the right to terminate the arrangement/contract and bank's decision in this regard will be final and binding on RA/EA.

#### **ARTICLE-V**

##### **Powers and Duties**

1. The relationship between "KCCB" and the "RA/EA" shall be of principal and agent and all decisions taken by "KCCB" in respect of any settlement/compromise offer shall be final and binding on the RA/EA.
2. The RA/EA is required to perform in consultation with/with the consent and under the overall supervision and direction of Authorized Officer/representative of "KCCB" shall be binding on the RA/EA.
3. The RA/EA will take physical possession of the secured asset and where physical possession is



not feasible in those cases after permission of the Authorized Officer symbolic possession can be taken .

4. The RA/EA may, where considered necessary, obtain within 7 days hereof loan files and other documents being maintained by "KCCB" (the particular branch) in respect of the Loans and prepare an index of documents/files so acquired and send a copy of such index for KCCB's (to the particular branch) records. The Recovery Agent/Enforcement Agent shall take such measures as may be necessary for ensuring safe keeping of all the documents/files so acquired and shall take an insurance cover against fire, theft and other applicable policies from an insurance company acceptable to "KCCB".
5. The RA/EA shall take such measures as may be necessary to identify potential buyers of the property/security, possession of which has been taken/will be taken under the SARFAESI Act or otherwise, to ensure quick recovery/realization of outstanding amount.
6. All realization/recoveries from the Borrowers shall be by way of Demand Draft/Cash Order drawn in favour of the bank account as may be indicated by "KCCB" in writing and shall be forwarded to "KCCB" within 3 working days from the date of recovery and/or realization or at such intervals as may be prescribed by "KCCB" in writing. The RA/EA shall not accept any cash/or cheque in their favour or in favour of the Bank from the borrowers/Guarantors. All amounts recovered/realized by Recovery Agent/Enforcement Agent under this Agreement shall be remitted to "KCCB" without any deduction whatsoever. RA/EA shall not have any lien/right of set off against "KCCB" in respect of the amounts realized/recovered under SARFAESI Act.
7. Whenever required as per the directions of the 'KCCB' the RA/EA shall evaluate and obtain within a period of fifteen(15) days from the date of agreement, insurance for the secured assets and/or not renew the insurance for the secured assets in the name of "KCCB" if not already insured/renewed Bank's prior approval is required if fresh insurance is required or where obtaining insurance cover is not found necessary. Also, the RA/EA shall take all such steps as may be necessary to ensure protection and preservation of such assets, indicating deployment of security personnel. The RA/EA shall be responsible for the safe custody of the secured assets of which the RA/EA takes possession.
8. The RA/EA shall submit a quarterly status report and such other information as may be required by "KCCB" from time to time.
9. Settlement involving deferred payment over a period of time shall be with the prior approval of the "KCCB". RA/EA shall submit a settlement proposal indicating the settlement amount, schedule of payment and the sources from which payment would be made, for consideration of "KCCB"
10. The RA/EA shall also be required to take actions/measures as stated in Schedule hereto in addition to the above mentioned duties.



**ARTICLE-VI**  
**Miscellaneous**

1. The RA/EA shall indemnify and save harmless "KCCB", its successors and assigns, against any and all losses, damages, liabilities, suits, claims, counterclaims, actions, penalties, expenses, "KCC" shall suffer as a result of:
  - a. Any breach of Recovery Agent/Enforcement Agent's Warranties representation, covenants, undertakings or agreement contained herein ;
  - b. Any failure on the part of the Recovery Agent/Enforcement Agent to observe or perform in any respect, any covenant or obligations or undertaking under this Agreement; or
  - c. Any claim made by the Borrower or any third party pursuant to which a court has passed an order and/or decree against "KCCB" on account of any action or omission of the RA/EA in relation to the loans secured assets and/or the Borrower.
2. Both the parties shall not be liable for any failure to perform any of its obligations under this Agreement if the performance is prevented, hindered or delayed by a Force Majeur Event (defined below). Each party shall promptly inform the other of the existence of a Force Majeur Event and shall consult together to find a mutually acceptable solution. "Force Majeur Event" means any event due to any cause beyond the reasonable control of the party, including without limitation, fire, flood, explosion, act of God, civil commotion, strikes, riots, insurrection, war of Acts of Government.
3. The performance of the EA shall be reviewed periodically and the EA shall provide the status report of NPA A/Cs assigned as and when required by the Bank. RA/EA agreement can be terminated forthwith by earlier party for breach of any of the term of this agreement or otherwise by issue of 15 days notice to the other party. In the event of termination of the agreement, Recovery Agent/Enforcement Agent will hand over possession of the movable/immovable assets, along with all the relative documents, etc. to the Authorized Officer/ representative of the Bank or any other person/agency identified by the Bank.
4. The Bank shall not be liable for any act of omission/Commission in respect of criminal liability arising out of arrangement with the Enforcement Agency.
5. In the event of the Recovery Agent/Enforcement Agent not successful in realizing the dues within a reasonable period say one year from the date of engagement as Recovery Agent/Enforcement Agent for any particular account, the Recovery is not eligible for any fee. The Bank at its own will terminate the services of the Recovery Agent/Enforcement Agent for the particular assignment and any advance payment made to the Recovery Agent/Enforcement Agent has to be recovered fully.
6. "KCCB" and Recovery Agent/Enforcement Agent hereby agree that they shall work together to resolve any disputes that may arise under this Agreement. In the event that disputes do arise under this Agreement, which the parties are unable to settle amicably, the dispute shall be settled by arbitration. The place of arbitration shall be Dharmshala and the language of arbitration shall be English. The parties shall jointly appoint a sole arbitrator.
7. This Agreement has been executed in duplicate, duly stamped in accordance with law, each of constitute one and the same instrument, the original to be retained by the "KCCB" and the counterpart to be retained by RA/EA.



8. All communication and notices by the Recovery Agent/Enforcement Agent to "KCCB" shall be in writing and may be addressed by facsimile, registered AD, courier to "KCCB" at the following address:

**The Kangra Central Cooperative Bank Limited, Head Office, Civil Lines,  
Dharamshala, Tehsil Dharamshala Distt. Kangra (H.P.) PIN 176215**

9. All communication and notices by "KCCB" to the RA/EA shall be in writing and may be addressed by facsimile, registered AD, courier to the RA/EA at the following address:

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(full address of recovery agency)

## Schedule

(Jobs/Functions to be entrusted to the Recovery Agent/Enforcement Agent listed here in are in addition to already covered in the text. The following is the illustrative list and not exhaustive)

Recovery Agent/Enforcement Agent is required to perform the following jobs/functions on behalf of the Authorized Officer/Bank in connection with enforcement of security interest under SARFAESI Act.

1. Assist in taking possession of movable and immovable properties, as an Agent of the Authorized Officer/Bank, in full compliance with the procedure laid down under the Rules.
2. Assist the Authorized officer/Bank in preparing the Panchnama, inventory of the property, etc. as per procedure and forms prescribed.
3. Arrange on behalf of the Authorized Office/Bank, for storage, maintenance, preservation and locking up arrangement, as appropriate of the movable/fixed/immovable assets so taken over.
4. Arrange on behalf of the Authorized Officer /Bank, for security, insurance and/or any other action required to ensure safety of all the assets taken over.
5. Assist the Authorized Officer/Bank in sending statutory notices to debtors of the borrower- follow up collection.
6. Assist the Authorized Officer/Bank in arranging for valuation as per procedure laid down.
7. Assist the Authorized Officer/Bank in arranging for sale for the assets as per any of the modes prescribed.
8. Assist the Authorized Officer/Bank in making arrangement as regards in receipt of sale proceeds, issue of sale certificate and all other necessary formalities prescribed.
9. Arrange for eviction of unauthorized occupants in the secured assets by taking up with appropriate authorities like Magistrate/Distt. Magistrate etc.
10. Follow up with the borrower/guarantor.
11. Arranging for buyers of assets/properties pledged/ hypothecated /mortgaged/or otherwise charged to the Bank.
12. Collecting details of the personal properties of the borrowers/guarantors and exploring the feasibility of bringing them to sale.
13. Arranging for compromise/one time settlement with borrowers/guarantors if so requested by "KCCB".
14. Restructuring/Rehabilitation including Mergers and Acquisition if requested by "KCCB".
15. Outright Sale.
16. Such other means as the RA/EA may decide in consultation with the "KCCB in writing for unlocking funds in NPAs.

IN WITNESS WHEREOF the parties have signed the present Agreement on the date, month and year first above written as hereinafter appearing .

20 of 21

Signed and delivered by the

Authorized Officer/representative  
the Agency  
The Kangra Central Cooperative Bank Limited

Authorized Officer/Representative of

\_\_\_\_\_  
**(Name of Agency)**

\_\_\_\_\_  
**(Name of Authorized representative)**

Witness: 1.....

Witness: 2.....

