

Simple Money Bond

A simple money bond is a document wherein lender advances loan to borrower on certain terms and condition.

The object of the simple money bond is that it determines the terms and condition between the lenders and the borrowers. The agreement is binding on both the parties and is enforceable by law.

DRAFT OF SIMPLE MONEY BOND

I, X, son of _____ resident of _____ confirm that I am indebted to Y son of _____ resident of _____ to the extent of Rs. _____ (Rupees _____) on account of the price of _____ purchased by me from the said Y and I hereby agree and covenant to pay the said sum on demand of Rs. _____ with interest at the rate of ____ percent per annum to Y.

Date: _____

WITNESSES

- 1.
- 2.

Signature