# LOAN TERMS AND CONDITIONS

This **Loan Terms and Conditions ("T&C")** shall be deemed to be effective as on the date of the Sanction Letter, at New Delhi, and agreed to by:

1. The Borrower (the details of whom are set out in the Sanction Letter and which expression shall, unless repugnant to the context or meaning thereof include its successors and assigns).

Any capitalized term not defined herein shall have the same meaning assigned to it under the Sanction Letter.

## RECITALS

1. The Lender is a banking company regulated by the Reserve Bank of India and is inter alia engaged in the business of advancing loans and other financial facilities.
2. The Borrower has approached the Lender through the DLA for grant of the Loan facility. Basis the information and/or documents submitted by the Borrower through its application for the grant of the Loan facility and in reliance of the acceptance of the terms & conditions of the Sanction Letter, the Lender has agreed to grant the Loan on the terms and conditions mentioned hereinbelow.

**NOW, THEREFORE,** in consideration of the covenants, terms, representations, warranties and indemnities set forth hereinafter, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Borrower, the Borrower hereby agree as follows:

## 1. DEFINITIONS

1.1. **Definitions:** All capitalized terms used in this T&C unless context otherwise so requires, shall have the following meanings:

1.1.1. **T&C:** Means this T&C, and shall include any schedule, annexure, appendix, any and all amendments, additions, Sanction Letter, deeds, undertakings, declarations and alteration whether by way of a supplemental instrument or otherwise to the terms contained herein;

1.1.2. **Application Form** means, as the context may permit or require, the digital application submitted by the Borrower on the DLA, for applying for and availing of the Loan, together with annexures and addenda and all other information, particulars, clarifications, letters and undertakings and declarations, if any, furnished by the Borrower/s and any other persons from time to time in connection with the Loan.

1.1.3. **Borrower(s):** shall, mean and include any person specified as Borrower under the Sanction Letter and unless repugnant to the context or meaning thereof be deemed to include his / her / its/ their heirs, legal representatives, successors, permitted assigns, executors, receivers, administrators as the case may be.

1.1.4. **Cooling Off Period-** shall mean the period as specified in the Sanction Letter during which the Loan Amount can be repaid by the Borrower, without any prepayment/foreclosure charges;

1.1.5. **Digital Lending Application**: shall refer to the mobile based application/platform namely "BharatPe for Business" operated by the LSP;

1.1.6. **Installment Amount:** means the amount to be paid by the Borrower at such frequency as specified in the Sanction Letter for repayment of the interest only or principal Loan Amount along with applicable Rate of Interest (as applicable depending upon the Repayment options opted by the Borrower and as specified in the Sanction Letter);

1.1.7. **Instalment Frequency:** means the frequency of the payment of the Installment Amount for the repayment of the Loan Amount and as specified in the Sanction Letter;

1.1.8. **Rate of Interest**: means rate of interest per annum applicable on the Loan Amount as specified in the Sanction Letter;

1.1.9. **Loan Amount or Sanctioned Loan Amount**: means the loan amount to be availed by the Borrower in single or multiple tranches in accordance with this T&C;

1.1.10. **Loan Documents**: means, collectively, this T&C and Sanction Letter and such other documents as may be required to be executed with reference to Loan Amount being availed by the Borrower;

1.1.11. **Lending Service Provider/LSP:** shall refer to the party specified as in the Sanction Letter;

1.1.12. **Material Adverse Change**: shall mean any one or more events, conditions or circumstances which, in the opinion of Lender, could reasonably be expected to adversely affect the financial condition of the Borrower or the ability of the Borrower to perform or comply with its obligations under the Loan Documents;

1.1.13. **Payment Instrument:** shall mean UPI Autopay/NACH debit mandate/ NEFT/RTGS/standing instructions/ cheques / any instruction(s) issued/registered by the Borrower for repayment of the outstanding dues under this T&C (including but not limited to Loan Amount along with Rate of Interest, Penal Charges and/or any other charges) through electronic mode or otherwise;

1.1.14. **Penal Charges** shall mean penal charges by the Lender due to the delay in payments by the Borrower as specified in the Sanction Letter or as communicated by the Lender.

1.1.15. **Sanction Letter:** shall mean letter/document issued by the Lender (either on its own and/or through LSP) to the Borrower which contains the terms and condition of the Loan and which forms part of the Loan Documents;

1.1.16. **RBI:** means the Reserve Bank of India, established under the Reserve Bank of India Act, 1934;

1.1.17. **Tenure**- means the period in which loan is to be repaid by the Borrower along with interest as per applicable Rate of Interest and other charges as per the Loan Documents;

1.1.18. **"Validity Period"** period refers to the period available to the Borrower, after being provided the Key Facts Statement by the Lender, to agree to the terms of the loan.

## 2. TERMS OF LOAN

2.1. The Lender shall not make any disbursement until the Loan documents have been duly executed by the Borrower to the satisfaction of the Lender.

2.2. The Borrower undertakes that the Loan Amount shall be utilized for the purposes specified under the Sanction Letter and ensure that such purposes are lawful. The Lender reserves the right to call for any document/information for Loan Amount utilization by the Borrower.

2.3. The disbursement of the Loan Amount to the Borrower shall be made in the bank account of the Borrower or any as per his/her instructions in writing.

2.4. In addition to any other amount payable to the Lender under this T&C, Processing Fees as specified in the Sanction Letter shall be levied on the Borrower. The Processing Fees may be deducted from the Loan Amount disbursed to the Borrower (in such case, Borrower will receive Net Disbursed Amount in his/her account). In the event Processing Fees is deducted from the Loan Amount, the Borrower shall be liable for payment of interest (@Interest Rate) of the entire Loan Amount.

2.5. The Borrower undertakes that the Payment Instrument issued/registered by the Borrower for the repayment of the Loan Amount shall not be cancelled/ stopped under any circumstances during the Tenure of the loan or till the entire dues as per this T&C read with Sanction Letter are fully paid and a discharge/no dues certificate is issued to the Borrower, whichever is later.

2.6. The Borrower undertakes to give any other documents/details such as KYC documents, financial documents etc.as the Lender may demand from time to time in order to review its Loan.

2.7. The Borrower agrees that the Lender has adopted risk-based pricing which is arrived at after considering broad parameters like customer profile, financials, sources of funds, risk profile of the customer, nature of lending etc. and hence rate of interest may differ across Borrowers.

2.8. Notwithstanding the issuance of this Sanction Letter and acceptance thereof, the Lender may in its sole discretion decide to not disburse the Loan Amount, rescind/withdraw Sanction Letter, without assigning any reasons.

2.9. The Borrower agrees that the T&C shall be read in conjunction with the Sanction Letter and in case of any conflict or inconsistencies, the provisions of the Sanction Letter shall prevail.

2.10. Under this T&C, the Lender has authorized the LSP to perform the following activities as part of the facilitation services ("Loan Facilitation Services") through DLA: (a) Assisting the Borrower making an application for the Loan from the Lender and submission of the required documents for availing the Loan (b) assisting in disbursement of the Loan through (c) assisting in collections for the Loan through DLA app or such other means as may be authorized by the Lender (d) assisting in loan servicing such as providing details of the loans/repayments/due amounts to the Borrower and/or resolving any queries/complaints/clarifications with respect to Loan and/or coordinate with the Lender for providing any information with respect to the Loan (e) act as a recovery agent for contacting the Borrower in case of default in repayment of the Loan (f) such other Loan Facilitation Services as may be agreed between the Lender and LSP from time to time and notified to the Borrower.

2.11. In case of non-payment of the Loan Amount together with interest, costs and Other Charges as per the terms of the Transaction Documents (include Key Fact statement, Loan Terms and Conditions, Sanction Letter), the Lender or its authorized service provider(s) / recovery agents may approach the Borrower for the payment of the Outstanding Amount, by way of call(s), SMS(s), email(s), and in person visit(s). Notwithstanding anything mentioned hereinabove, in the event of non-receipt of the Loan Amount and other charges, the Lender may resort to legal recourse.

2.12. The Borrower may approach the Lender or the LSP (if applicable) for any issues, grievances or complaints with respect to their loan account by following the grievance redressal mechanism details provided in the Key Fact Statement. Further, the Borrower shall have the option to lodge a complaint on phone, in writing or through electronic means in the manner specified on Lender's website [https://www.southindianbank.bank.in/help-desk/customer-care. In case the Borrower has not received any reply within 30 days of receipt of complaint by the Lender the Borrower can lodge a complaint over the Complaint Management System (CMS) portal under the Reserve Bank-Integrated Ombudsman Scheme (RB-IOS) or send a physical complaint to "Centralised Receipt and Processing Centre, 4th Floor, Reserve Bank of India, Sector-17, Central Vista, Chandigarh - 160017" as per the grievance redressal mechanism prescribed by the Reserve Bank.

2.13. The Borrower shall be provided a Validity Period as specified in the Key Fact Statement and/or Loan Documents for accepting the terms of the loans as specified in the Loan Documents. Once the Borrower accepts the Loan Documents, the Lender and the Borrower shall be bound by the terms of the Loan as specified in the Loan Documents.

2.14. Insurance (if applicable):

2.14.1. At the request of the Borrower, the Lender may finance the premium of an insurance policy insuring the Borrower against various risks including without limitation the risks of personal accident, accidental hospitalization, Outstanding Amount to the Lender and/or critical illness. Such insurance premium paid by the Lender on behalf of the Borrower shall be deducted from the Sanctioned Loan Amount granted herein and shall from part of the Loan. The insurance premium being a part of Loan shall be remitted / disbursed by the Lender directly to such an insurance company and such disbursement /remittance shall be deemed to be disbursement to the Borrower.

2.14.2. The participation by the Borrower in any insurance product is optional and purely on a voluntary basis & the Borrower may opt for insurance through Lender or open market at his/her sole discretion. The contract of insurance is between the insurance company and the insured / policyholder. Insurance products are offered & underwritten by the insurance company & the Lender does not underwrite the risk or act as an insurer

2.14.3. The Lender holds out no warranty or makes no representation about the quality, delivery or otherwise of the services offered by Insurance Company. Any dispute or claim regarding insurance company's services must be resolved by the Borrower/s with insurance company without any reference to the Lender.

2.14.4. In case, Borrower has chosen an insurance cover, the Borrower agrees that, the Lender shall have the right to appropriate insurance claim paid thereunder towards the Outstanding Amount. If after such appropriation, there be any surplus leftover, it shall be paid to the Borrower. If there is any deficit, then the Borrower or its legal heirs or representative shall be liable to pay entire deficit forthwith.

2.15. Top up loan (if applicable) - The Borrower agrees, confirms and understands that the Lender has granted the present top up loan facility to the Borrower on the understanding that the loan previously granted to it ("Original LAN") will be suspended permanently, and will be superseded and replaced by the new LAN Account number which Borrower understand will be communicated by Lender welcome letter. The Borrower agrees, acknowledges and understands that if it chooses to exercise its rights of cancellation of Loan (if so granted under the T&C) and cancels the Loan within 1 day of disbursement, the Borrower will have to initiate repayment on the new LAN as per old principal outstanding of the Original LAN.

## 3. RATE OF INTEREST

3.1. The Borrower shall pay the Rate of Interest as specified in the Sanction Letter on the Loan Amount.

3.2. The Rate of Interest on the Loan Amount shall begin to accrue simultaneously in favor of Lender with the disbursement of the Loan Amount in the bank account specified in the Sanction Letter without concerning itself with the delay in actual realization in the bank account of the Borrower due to any technical or other issues.

3.3. The Borrower agrees and acknowledges that the Lender shall, at any time and from time to time, be entitled to change the Rate of Interest, at its sole discretion. In such an event the term 'Rate of Interest' shall for all purposes mean the revised interest rate, which shall always be construed as agreed to be paid by the Borrower.

3.4. The Borrower acknowledges and understands that the Lender may notify the Borrower about any revision in Rate of Interest or any of the fee/ charges through: (a) A letter or email at the address provided by the Borrower(s) to the Lender and/or through LSP; (b) SMS or any other electronic/ telephonic message on the telephone/ mobile number registered by the Borrower(s).

3.5. Any changes in Rate of Interest and charges are effective prospectively, with effect from the date mentioned in the notice/ communication to the Borrower.

## 4. PENAL CHARGES

4.1. The Borrower agrees that it shall be liable to pay Penal Charges as specified in the Sanction Letter for any default/delay in repayment of the Loan Amount and/or breach of any of the conditions of the Loan Documents.

4.2. The payment of the Penal Charges shall not absolve the Borrower of the other obligations or shall not affect any of the other rights of the Lender, under the Loan Documents.

4.3. The Borrower acknowledges and agrees that the Lender expressly reserves all the other rights that may accrue to it on any default by the Borrower as per the Loan Documents.

## 5. REPAYMENT

5.1. During the Tenure of the loan, the Borrower shall repay the Loan Amount by making payments of Instalment Amount as per the Instalment Frequency specified in the Sanction Letter. The Borrower understands and acknowledges that timely payment of the Installment Amount as per the Sanction Letter shall be the essence of the Loan Documents executed by the Borrower.

The Borrower shall be entitled to a Cooling Off Period as specified in the Sanction Letter. During the Cooling Off period, the Borrower shall have the right to foreclose the Loan sanctioned to it, without any prepayment/foreclosure charges as specified in Sanction Letter. The Borrower shall be liable to pay the applicable proportionate interest/charges/fees (other than prepayment/foreclosure charges) as per the Sanction Letter during the Cooling Off period.

5.2. The Borrower shall make payment of the Instalment Amount as per the Instalment Frequency specified in the Sanction Letter through any other mode such as NEFT, UPI, debit card, net banking or any such other mode made available through the LSP.

5.3. Without prejudice and/ or waiver of the Lender's rights, in the event, that there is any shortfall in Instalment Amount, the Borrower undertakes and agrees –

5.3.1. To pay the outstanding due amount under the Loan Documents

5.3.2. to pay Penal Charges for such period until all the outstanding due amount are repaid by the Borrower(s).

5.4. If the Borrower fails to pay any amount when due, under the Loan Documents and/or the Borrower's Payment Instrument is dishonoured, such unpaid amount shall bear Penal Charges as specified in the Sanction Letter or as communicated by the Lender.

5.5. The Borrower shall be required to pay all duties, taxes, costs, stamp duty and statutory levies and such other charges, that may be imposed by the statutory authorities from time to time pertaining to or in connection with under the Loan Documents.

5.6. The repayment schedule shall be in accordance with the schedule as set out in the Key Fact Statement.

## 6. APPROPRIATION

6.1. All amounts received from the Borrower shall be applied in the following order of priority: (A) firstly towards payment of any outstanding interest on the Loan (B) secondly, towards the outstanding principal amount of the Loan (C) thirdly, towards fees, costs, charges and expenses of the Lender, (D) fourthly, towards any fee, charges, and other delay charges, and (E) any other loan/dues payable by the Borrower. The Lender may vary the order set out hereinbefore at their discretions.

## 7. PREPAYMENT/FORECLOSURE

7.1. Subject to applicable laws, the Borrower may, prepay the whole or any part of the Loan Amount together with applicable interest and other charges as per the Sanction Letter.

7.2. In the event Lender permits any part pre-payment/acceleration of the Loan Amount in terms of this Loan Document, then the Instalment Amount and Tenure for the Loan can be amended /revised in writing by the Lender for giving effect to such prepayment/ acceleration, and such amended/revised Instalment Amount and Tenure shall be binding upon the Borrower.

## 8. REPRESENTATIONS, WARRANTIES & INDEMNITIES OF THE BORROWER

8.1. The Borrower hereby represents and warrants that:

8.1.1. It has given complete and correct information and details in the Application Form about himself/herself;

8.1.2. The Borrower has no pending claims, demands, litigation or proceedings against him/her before any court or authority (public or private);

8.1.3. The Borrower is fully empowered to execute this T&C and to perform obligations hereunder in the Loan Documents and the Loan Documents duly executed and delivered by the Borrower as may be required, and constitute/ shall constitute a legal, valid and binding obligation of the Borrower, as the case may be, enforceable against the Borrower in accordance with their respective terms;

8.1.4. the Borrower shall perform all its obligations under this T&C;

8.1.5. the Borrower is financially solvent and have adequate net worth to be able to perform their obligations under this T&C;

8.1.6. the execution and delivery of this T&C and documents to be executed in pursuance hereof, and the performance of the Borrower's obligations hereunder does not and will not: (i) contravene any applicable law, statute or regulation or any judgment or decree to which the Borrower and/or its assets, businesses and/or undertakings is subject, (ii) conflict with or result in any breach of, any of the terms of or constitute default of any covenants, conditions and stipulations under any existing agreement or contract or binding to which the Borrower is a party or subject, as the case may be;

8.1.7. neither the Borrower, nor any person acting on its behalf, has been engaged in (a) any corrupt / fraudulent practices / collusive / coercive practices in connection with the Borrower's business or operations (b) money laundering; or (c) the financing of terrorism; and

8.1.8. the Borrower further acknowledges and confirms that the information and/or documents including but not limited to KYC documents provided to Lender in connection with the loan does not contain any untrue statement of a material fact, nor does it omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements were or are made.

8.1.9. That the Borrower undertakes, represents and confirms that the Borrower has taken explicit consent from his contact references, which are provided to the LSP and/or the Lender.

8.1.10. Further, the Borrower undertakes, confirms and represents that he has informed such reference that Lender, LSP and/or any entity/persons authorized by LSP and/or Lender, may contact them to conduct the background verification of the Borrower, reach out to the Borrower and/or to undertake fraud checks.

8.2. **Indemnity:**

8.2.1. The Borrower shall, without prejudice to any other right of Lender, indemnify and keep indemnified and hold Lender, its officer/employees/agents/affiliates harmless against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs expenses or disbursements of any kind or nature whatsoever (including without limitation, fees and disbursements of lawyers) which may be imposed on, incurred by, or asserted against Lender in any claim, litigation, proceeding or investigation instituted or conducted by any governmental agency or instrumentality or any person or entity, and which are related directly or indirectly to this T&C or any document executed pursuant hereto, whether or not Lender is a party thereto, and shall pay and reimburse to Lender, without any dispute or demure any losses, costs, charges or expenses which Lender shall certify as sustained or suffered or incurred by Lender as a consequence of occurrence of an event of default as per Clause 10, or any other breach of obligations by the Borrower under this T&C or otherwise in connection with this T&C (including any interest or fees incurred in funding any unpaid sum).

8.2.2. The Borrower shall indemnify and keep the Lender its officer/employees/agents/affiliates indemnified during the Tenure of this T&C from and against all liabilities, claims, losses, damages and expenses incurred or sustained by the Lender due to Borrower's negligence, fraud, gross misrepresentation or arising out of breach of its obligations and liabilities in connection with the payment of amounts due under this T&C and the Borrower shall be liable to pay such amounts forthwith on demand.

## 9. COVENANTS

9.1. The Borrower covenants and undertakes that, during the Tenure of this T&C, the Borrower will, unless Lender waives compliance in writing:

9.1.1. Obtain and comply with the terms of and do all that is necessary to maintain in full force and effect, all authorizations, approvals, licenses and consents required to enable it to execute and perform its obligations under this T&C, and to ensure the legality, validity, enforceability and admissibility in evidence of this T&C.

9.1.2. The Borrower hereby undertakes to keep the Lender informed of any change in the Borrower's e-mail ID, Telephone number, Mobile number and Address including any change in know-yourcustomer ("KYC") information / documents submitted by the Borrower at the time of establishment of lender-borrower relationship or thereafter within 30 days from such change. The Borrower authorizes the Lender to update the contact information change that the Lender may be informed of and hereby authorizes the Lender to contact the Borrower at the updated contact details, by post, phone, e-mail, SMS/text messaging.

9.1.3. Maintain proper books of accounts, as per applicable accounting practices and standards, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Lender. The Borrower may be required submit to the Lender such financial statements and additional information, as may be required by the Lender from time to time.

9.1.4. Promptly inform Lender of any occurrence, event or incident of which it becomes aware which might adversely affect the Borrower or affect its ability to perform its obligations under this T&C and/or in respect of the outstanding amount of the Loan

9.1.5. Promptly inform Lender of the occurrence of any Event of Default or of the occurrence of an event which, with the passage of time or the giving of notice would become an Event of Default, and also, where applicable, of the steps being taken to remedy the same, and will, from time to time, if so requested by Lender, confirm to Lender in writing that save as otherwise stated in such information, no default has occurred and/or is continuing.

9.1.6. No suit has been filed by any bank/ financial institution against the Borrower or any of the firms/ companies in which Borrower are partners/ directors/member for recovery of any amount.

9.1.7. No account of the Borrower or its group companies has been classified as SMA (Special Mention Account) or declared NPA/ settled by giving rebate/ OTS by any bank/ Financial Institution.

9.1.8. Borrower is not under any caution/defaulter list issued by RBI.

9.1.9. That so long as any part of the Loan is outstanding and until full and final payment of all moneys owing hereunder the Borrower shall not, without the prior written consent of Lender having been obtained do or omit to do and not permit any act, matter or thing which would cause any of the representations and warranties, under this T&C, to be untrue, inaccurate or misleading and immediately notify Lender in writing of any such fact or circumstance which might cause any of the representations and warranties set forth in this T&C to be untrue or misleading.

9.1.10. The Lender shall, without notice to or without any consent of the Borrower, be absolutely entitled and have full right, power and authority to make disclosure of any information relating to Borrower including personal information, details in relation to documents, Loan, defaults, security, obligations of Borrower, to the credit information companies, RBI and/or other affiliate/agencies/service providers for the purpose of the performance or ensuring performance of the obligation by the Borrower under this T&C.

9.1.11. The Borrower understands and acknowledges that the Lender shall have the right to disclose the details of the loan, its repayment behaviors, defaults, account status and such other relevant information pertaining to the Borrower to the credit information companies and RBI on regular basis.

9.1.12. The Borrower undertakes and agrees that the continuation of this Loan facility and Loan Document shall be at sole and absolute discretion of the Lender and the Lender has the right to recall this Loan and/or terminate the Loan Documents/cancel the Loan, at its sole discretion and without assigning any reason to the Borrower. In the event, the Lender recall/cancels the Loan, the Borrower shall make the payment of the entire outstanding, within the period of 15 (Fifteen) days or such period as may be communicated by the Lender, without any delay or demur.

9.1.13. The Borrower hereby undertake that he/she is not a director or relative of the director or none of its directors/partners /members (if the Borrower is a company/partnership firm) is a director of the Lender. The Borrower further undertakes that he/she/it not a relative or none of its directors/ partners/ members (if the Borrower is a company/partnership firm/LLP) of any Senior Officer of the Company. The term 'Senior Officer' means an officer of the Lender, who is in equivalent scale as an officer in senior management level. The term "relative" shall mean to have the same meaning ascribed to it under the Companies Act, 2013

9.1.14. The Borrower undertakes that Borrower or none of its partners/directors/members (if the Borrower is a company/partnership firm) are "Politically Exposed Person (PEP) nor they are related to any PEP. In the event, the Borrower or any of its partners/directors/members (if the Borrower is a company/partnership firm) subsequently becomes PEP, they shall intimate the Lender regarding the same. Politically Exposed Persons shall mean individuals who are or have been entrusted with prominent public functions by a foreign country, including the Heads of States/Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials.

9.1.15. The Lender shall have the right to appoint an auditor to conduct audit at the discretion of the Lender in the event of the Borrower's account being classified as red flagged account. The purpose of such audits is to ensure compliance with regulatory norms of RBI vide circular ref - RBI/DOS/2024-25/118 DOS.CO.FMG.SEC.No.5/23.04.001/2024-25 dated 15.07.2024. Further in cases where the audit report submitted remains inconclusive or is delayed due to non-cooperation by the Borrower, Lender shall conclude on status of the account as a fraud or otherwise based on the material available on record basis the internal investigation/ assessment of the Lender.

## 10. EVENTS OF DEFAULT:

10.1. The following events and occurrences including but not limited to, shall constitute an Event of Default for purposes of this T&C:

10.1.1. Non-payment of Installment Amount by the Borrower as per the Instalment Frequency or any other dues as per the Loan Documents, whether wholly or in part.

10.1.2. Occurrence of any event leading to Material Adverse Change

10.1.3. Death of the Borrower under the Loan Documents

10.1.4. Bouncing/Cancellation of the Payment Instrument issued/registered by the Borrower for the repayment of the Loan Amount;

10.1.5. If there occurs a breach of any representation or warranty made or deemed to be made by the Borrower in or pursuant to this T&C;

10.1.6. If insolvency proceedings are initiated against or voluntarily by the Borrower

10.1.7. The Borrower is found to have a fraudulent history or found or alleged to have been involved in document misrepresentation/fraud or is proven to be involved in any sort of money laundering activities or any other.

10.1.8. If the Borrower is convicted for any offence under the law adversely affecting Borrower's ability to repay the Loan Amount, solely in the opinion of the Lender.

10.1.9. If any order is passed by any governmental, judicial, quasi-judicial or any other authority adversely affecting the operation of the loan or if, at any time, it is, becomes or will become unlawful or contrary to any regulation in any applicable jurisdiction for the Lender to perform any of its obligations as contemplated by this T&C or to fund or do lending business.

10.1.10. Any change in applicable law which may in the sole opinion of Lender impact the Borrower's ability to fulfill the obligations under this T&C.

10.1.11. Any pending or threatened litigation, investigation or proceeding that may have impact Borrower's business condition (financial or otherwise), operations, performance, properties or prospects of the Borrower or that purports to affect the terms and obligations under this T&C, or the transactions contemplated thereby.

10.1.12. If any ordinance/legislation has been promulgated/legislated either by the competent authority which in the opinion of the Lender may adversely affect Borrower's business.

10.1.13. If the Borrower utilizes the Loan Amount for any purpose other than that stated in Sanction Letter and/or for any unlawful purpose

10.2. **Other Events of Default:** In the opinion of the Lender any other default, which adversely affects the fulfillment of obligations by the Borrower under this T&C and inability of the Borrower to cure any failure within a period of 15 (fifteen) Business Days after the date on which Lender in writing notifies such failure to Borrower as an Event of Default as the case may be.

10.2.1. **Consequences of Default:** Upon the occurrence of an Event of Default under this Clause, the Lender or any agent/service provider of the Lender authorized in this behalf shall serve a notice to the Borrower to remedy such Event of Default, where the same is remediable, and if the Borrower fails to remedy the Event of Default within a period of 7 days from the date of such notice, the Lender shall have the right to initiate one or all of the actions as specified below:

10.2.2. The Lender may, by a notice in writing, may recall the loan granted to the Borrower and declare the entire amount payable under the Loan Documents together with all interest and charges payable thereto, in the sole discretion of the Lender.

10.2.3. On occurrence of the Event of Default, the Lender may report the account of the Borrower to RBI and/or credit information companies as Special Mention Account (SMA) / Non-Performing Assets (NPA) (as per the RBI Directions), which may impact its credit score/rating and his/her ability for future borrowing from the financial institutions. For example, If due date of a loan account is March 31, 2021, and full dues are not received before the lending institution runs the day-end process for this date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30, 2021 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2021. Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 30, 2021 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2021.

10.2.4. The Lender shall be entitled at the sole risk and cost of the Borrower to engage one or more person(s)/collection service providers/agents to collect the Borrower’s dues and shall further be entitled to share such information, facts and figures pertaining to the Borrower as the Lender deems fit for the aforesaid purpose. The Lender may also delegate to such person(s) the right and authority to perform and execute all such acts, deeds, matters and things connected herewith, or incidental thereto, as the Lender may deem fit. The Borrower recognizes, accepts, and consents to such delegation.

## 11. MISCELLANEOUS

11.1. **Validity:** This T&C is binding on the Borrowerhereto on and from the date of the Sanction Letter and shall be in force and effect till all the monies due and payable under this T&Care fully paid by the Borrower.

11.2. **Continuing Obligations:** The liabilities and obligations of the Borrower under or pursuant to this T&Cshall remain in force and effect notwithstanding any act, omission, and event or circumstance whatsoever until the Loan has been repaid in full as per the Loan Documents.

11.3. **Governing Law & Arbitration**

11.3.1. **Governing Law**- This T&C shall be governed by and construed and enforced in accordance with the laws of *India*, without regard to its principles of conflict of laws, the Borrower agrees to submit to the exclusive jurisdiction of the courts inNew Delhi, alone.

11.3.2. **Arbitration:** Any disputes, differences, controversies and questions directly or indirectly arising at any time hereafter between the Borrower and Lender or their respective representatives or assigns, arising out of or in connection with this T&C (or the subject matter of this T&C), including, without limitation, any question regarding its existence, validity, interpretation, construction, performance, enforcement, rights and liabilities of the Borrower and Lender, or termination ("Dispute"), shall be referred to a sole arbitrator duly appointed by the Lender.The language of the arbitration shall be English. The seat of the arbitration shall be at Mumbai and the language of proceedings shall be English. The award rendered shall be in writing and shall set out the reasons for the arbitrator's decision. The costs and expenses of the arbitration shall be borne equally by each Party, with each Party paying for its own fees and costs including attorney fees, except as may be determined by the arbitration tribunal. Any award by the arbitration tribunal shall be final and binding.

11.4. **Notices:** Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this T&C shall be in writing. Such notice shall be served by sending it delivering by hand, mail or courier or to the address of the Borrower available with the Lender as per its records or through electronic mode on the contact details registered or available with the Lender (such as e-mail, SMS, WhatsApp or any other electronic mode). Any notice so served shall be deemed to have been duly given (a) in case of delivery by hand, when hand delivered to the other Party; or (b) when sent by post, where 5 Business Day(s) have elapsed after deposit in the post; or (c) when delivered by courier on the second Business Day after deposit with an overnight delivery service, postage prepaid, with next Business Day delivery guaranteed, provided that the sending Party receives a confirmation of delivery from the delivery service provider d) if by electronic mode, when directed to an electronic mode address (such as e-mail, SMS, Whatsapp) provided by the Borrower. Any notice or communication to the Borrower shall be deemed to be a notice or communication to all the Borrower(s). A Party may change or supplement the addresses mentioned in **Schedule 1**, or designate additional address, for the purpose of this clause by giving the other Party written notice of the new address in the manner set forth above.

11.5. **Force Majeure:** The Lender shall not be held liable for any delay of or failure to comply with any of the terms of this T&C, nor shall any such delay or failure be deemed a default when such delay or failure has been caused primarily by any circumstances beyond the reasonable control and without the fault of the Lender, including but not limited to technology failure of the LSP, downtime of the LSP, maintenance time of the DLA, fire, war, insurrection, government restrictions, act of terrorism, computer system failure or act of God or such other event which is beyond the control of the Lender ("Force Majeure Event").

11.6. **Lien & Set Off:** Without prejudice to and in addition to any other right or remedy which the Lender may have under the Loan Documents or under the law of contract or any other applicable law, the Lender shall have the lien over any asset/security and/or any or all amounts received by it under other agreements with the Borrower. The Lender shall be entitled to exercise its lien over the assets/security and/or any or all amount received by it's under other agreement as mentioned above to set off and recover any or all amounts payable by the Borrower under the Loan Documents. The Borrower hereby expressly acknowledges and affirms the Lender's lien and right of set off as specified in this clause

11.7. **Successors and Assigns:** This T&C binds and benefits the respective successors and assignees of the Borrower and Lender and, in respect of the individuals who are executing this T&C, their respective heirs, executors, administrators and legal representatives.

11.8. **No Assignment**: The Borrower shall not have any right to assign this T&C and/or any right or obligation hereunder or part hereof. The Lender may assign/securitize/transfer/novate its rights under this T&C and may notify the Borrower accordingly of such an assignment/securitization if required.

11.9. Borrower agrees and acknowledges that this T&C shall supersede and override all previous communications, negotiations, commitments, agreements whether oral or written between the Borrower and Lender with respect to the subject matter of this T&C.

11.10. **Severability**: Each and every obligation of the Borrower under this T&C shall be treated as a separate obligation and shall be severally enforceable as such. To the extent that if any provision of this T&C, is invalid or unenforceable or prohibited by law, it shall be treated for all purposes as severed from this T&C and ineffective to the extent of such invalidity or unenforceability, without affecting in any way the remaining provisions hereof, which shall continue to be valid and binding.

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