

# Loans Against Property



**Customer Name**

**Loan Agreement No.**

**LOAN AGREEMENT - LOAN AGAINST PROPERTY**

THIS AGREEMENT IS MADE at the place & date mentioned in the schedule II attached hereto between borrower(s) whose name(s) is/are mentioned in the schedule I attached hereto of ONE PART and the:

**Borrower** \_\_\_\_\_

**Co-Borrower(s)** \_\_\_\_\_

Fincare Small Finance Bank Limited, a banking company incorporated under the provisions of Companies Act, 1956 and having been granted banking license under the provisions of the Banking Regulation Act, 1949 and having its registered office at No. 301-306, 3rd Floor, ABHIJEET -V, Opp. Mayor's Bungalow, Law Garden Road, Mithakhali, Ahmedabad - 380006, Gujarat and one of the offices as mentioned in schedule - II (hereinafter referred to as "The Bank" or "Fincare" which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors, and permitted assigns) of the One part; and The Borrower(s) whose name and address is/are stated in Schedule I, hereinafter called "the Borrower" (which expression shall unless the context otherwise requires, include his heirs, executors, administrators, successors, assigns) of the Other Part ,

## 1. DEFINITIONS AND INTERPRETATION

1.1 The following definitions apply throughout this Agreement unless otherwise stated:

- a. The term "Agreement" means this Agreement executed by the Parties including all the schedules and annexures hereto and any amendment or modification thereof from time to time in accordance with the provisions of this Agreement. It shall also include the Application submitted by the Borrower/s to the Bank for grant of the Loan and the Sanction Letter issued by the Bank to the Borrower/s sanctioning the Loan.
- b. The term "Account" means the account established by the Borrower with the bank approved by the Bank for setting up of the Loan account limit.
- c. The term "Additional Interest" means interest levied by Bank on delay in payment of the EMI or PEMII or any other amounts due and payable by the Borrower to the Bank.
- d. The term "Borrower(s)" means the one or more individual(s), a sole proprietorship concern, limited/unlimited partnership firm or a limited or a private limited company whose name(s) is/are stated in Schedule-I executing the Agreement as borrower(s) and In case the borrower(s) is more than one individual, each one being deemed to have made this Agreement individually and all of them having agreed to liabilities hereunder jointly and severally and the term "Borrower(s)" shall include his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns. In case the borrower(s) is a sole proprietorship concern, the person whose name appears as the sole proprietor and the term "Borrower(s)" shall include his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns. In case the borrower(s) is a limited/unlimited partnership firm, the person whose names are mentioned in the Schedule I hereto conducting their activities in partnership firm in the name and style as mentioned in Schedule I. The said firm together with its partners in their individual capacity hereinafter collectively refer to as "Borrower(s)" and shall include them and their survivors or survivor or partners or partner for the time being thereof and his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns. In case the borrower(s) is a limited or a private limited company, directors of the company or the persons authorized by the company, whose names are mentioned in Schedule I hereto, conducting their activities of the company in the name and style as mentioned in the Schedule I. The said company together with its directors in their individual capacity hereinafter collectively refer to as "Borrower(s)" and shall include its successors, administrators and permitted assigns subjected to the provisions of the Companies Act, 2013 and any amendments thereto.
- e. The term "Borrower's Dues" means and includes the outstanding Principal , Interest, all other interest, all fees, costs, charges, expenses, stamp duty (including registration and filing charges and taxes of any description whatsoever as may be levied from time to time by the Government or other authority) and all other sums whatsoever payable by the Borrower to the Bank in accordance with the Transaction Documents, as well as all other monies whatsoever stipulated in or payable by the Borrower/s under the terms of the Loan.
- f. The term "Co-Borrower(s)" wherever the context so requires shall mean and be construed as the person who is availing the Loan along with the Borrower(s) and agrees to repay the Loan and assures the due performance of all the conditions of this Agreement in place of the principal Borrower(s); the liability of the Co-borrower(s) is co-extensive with that of the Borrower(s). The term "Co-borrower(s)" shall include his/her/their respective heirs, executors, administrators, legal representatives and permitted assigns.
- g. The term "CIBIL" means Credit Information Bureau (India) Limited.
- h. The term "Default Interest" means interest levied by the Bank from the due date till payment on happening of any Event of Default as set out in Article 7 of this Agreement.
- i. The term "Due Date" means the date(s) on which any amounts in respect of the Borrower(s)'s Dues including the Principal amounts of the Loan, interest and/or any other monies, fall due as specified in the Loan Application and/ or the Transaction Documents.
- j. The term "Electronic Clearing System" hereinafter referred to as "ECS", shall be deemed to include transfer of funds electronically, either through a message for transfer of funds sent electronically or through image of instrument of transfer of funds sent electronically or through an electronic file containing the details of the funds transfer sent by electronic media or payment through an electronic cheque or where funds are transferred through various types of plastic cards or such other

debit clearing service notified by Reserve Bank of India, participation in which has been consented to in writing by the Borrower(s) or Co-borrower(s) for facilitating payment of Instalments.

- k. The term "Effective Date" means the date on which the first disbursement is availed by the Borrower(s) or Co-borrower(s) out of the Loan.
- l. The term "Equated Monthly Instalment (EMI)" means the amount of monthly payments required to be repaid to the Bank to amortise the Loan with Interest over the tenor of the Loan.
- m. The term "Loan Application" means as the context may permit or require, the credit facility application form submitted by the Borrower(s) or Co-borrower(s) to Fincare for applying for and availing of the Loan, together with the Loan Application and all other information, particulars, clarifications and declarations, if any, furnished by the Borrower(s) or Co-borrower(s) or any other person from time to time in connection with the Loan.
- n. The term "Fixed Rate of Interest" means the rate of interest applicable on the Loan, which is subject to review by the Bank after 12 months from the date of disbursement.
- o. The term "Floating Rate of Interest" shall mean MCLR applied by the Bank to the Loan with a margin, if any, as may be decided by the Bank from time to time, pursuant to this Agreement.
- p. The term "Interest" shall mean the rate of interest chargeable on the Loan at the rate specifically mentioned in Schedule II attached here to.
- q. The term "Indebtedness" means any indebtedness whatsoever of the Borrower(s) at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities credits, deposits, hire-purchase and leasing).
- r. The term "Loan" means the amount disbursed by the Bank to the Borrower(s) for the Purpose as specifically mentioned in Schedule II and also includes Principal, Interest, additional Interest, Penal Interest, PEMII and any other amount due and payable by the Borrower(s) to the Bank as per the terms and conditions of this Agreement.
- s. The term "Material Adverse Effect" means the effect or consequence of any event or circumstance which is or is likely to be: (a) adverse to the ability of the Borrower or any person to perform or comply with any of their respective obligations under this Agreement and the Transaction Documents in accordance with their respective terms; or (b) prejudicial to any of the businesses, operations or financial condition of the Borrower.
- t. The term "MCLR" refers to marginal cost of funds based lending rate and means the reference rate announced by the bank in terms of the guidelines issued by RBI on MCLR from time to time for the purpose of lending, which is subject to variation without prior notice to the Borrower or any other person.
- u. The term "PEMII" refers to Pre- Equated Monthly Instalment Interest and means interest at the rate indicated in the Schedule II on the disbursed Loan amount from the date/respective dates of disbursement to the date of commencement of EMI.
- v. The term "Person" shall include individual, partnership firm, company, association of persons, proprietary concern and co-operative society as mentioned and stipulated as per the relevant provisions of the Income- tax Act, 1961.
- w. The term "Property" means residential/ commercial immovable property, described in the Schedule III, which is owned / jointly owned by the Borrower(s)/Co-Borrower(s) or sought to be purchased by the Borrower(s)/Co-Borrower(s) or sought to be financed by Fincare and shall be deemed to include any immovable property on the security of which the Bank has agreed to advance the Loan.  
Without prejudice to the generality of the above "Property" shall also include: in the case of part of a building, the entire built-up area (and any additions thereto), the proportionate share in the common areas of the building and the proportionate undivided share in the land on which the said building is situated or is being built /will be built OR in the case of a flat, the entire built-up area (and any additions thereto), the proportionate share in the common areas of the building in which such flat is/will be situated and the proportionate undivided share in the land on which the said building is situated or is being built / will be built OR in the case of an independent structure, the structure and entire plot of land on which the structure is situated or is being built /will be built. in the case of an individual house, the house and entire plot of land on which the house will be built.
- x. The term "Principal" shall mean the principal amount of the Loan which is the amount borrowed by the Borrower and still owed to the Bank;
- y. The term "PDC" refers to post- dated cheques and means the cheques issued by the Borrower in favour of the Bank for repayment of the Loan along with accrued interest.

- z. The term "Purpose" means the purpose for which the Loan is availed by the Borrower more specifically mentioned in the Schedule II.
- aa. The term "Prepayment/Foreclosure" means premature full repayment of the Loan outstanding as per the terms and conditions laid down by the Bank in that behalf and as in force at the time of prepayment.
- ab. The term "Part Payment" means partial repayment of the Loan outstanding as per the terms and conditions laid down by the Bank and is in force at the time of part payment.
- ac. The term "RBI" means Reserve Bank of India.
- ad. The term "Repayment" means the repayment of the Principal of the Loan, Interest thereon, commitment and other charges, premium, fees or other dues payable under this Agreement to the Bank.
- ae. The term "Sanction Letter" means the sanction letter issued by the Bank sanctioning the Loan with the relevant particulars as mentioned including any such letter issued subsequently with any modification.
- af. The term "Schedule" means and includes the schedules attached hereto and forming an integral part of the Agreement.
- ag. The term "Standing Instructions" hereinafter referred to as "(SI)" or auto debit instructions or standing order means written instructions given by the Borrower(s)/Co-Borrower(s) to Fincare to debit the account of the Borrower(s)/Co-Borrower(s) maintained in a bank acceptable / approved by Fincare for the amount of the Instalment, more particularly set out in Schedule II.
- ah. The term "Transaction Documents" includes all writings and other documents executed or entered into or to be executed or entered into, by the Borrower(s)/Co-Borrower(s) or, as the case may be, any other person, in relation to, or pertaining to the Loan and each such transaction document as amended from time to time.
- ai. "Security" shall mean the security over the immovable and/or, as the case may be, moveable property as may be created or agreed to be created by the Borrower in favour of the Bank in the manner acceptable to the Bank and such other security as the Bank may require from time to time to secure the repayment of the loan by the Borrower to the Bank and/or the performance of the engagement under this Agreement by the Borrower.

1.2 Any expression not defined in this Agreement but defined in the General Clauses Act, 1897 shall have the meaning thereof.

1.3 Reference to the masculine gender includes feminine gender and reference to singular includes plural and vice versa.

## **2. LOAN AMOUNT, DISBURSEMENT, INTEREST, TAXES AND AMORTIZATION**

### **2.1 LOAN:**

- a. The Bank hereby agrees to make available to the Borrower(s) and Co-Borrower(s) and the Borrower(s) and Co-Borrower(s) hereby agrees to avail from the Bank, the Loan mentioned in Schedule II, in the manner and on the terms and conditions mentioned in this Agreement for the Purpose.
- b. Once the Loan Application submitted by the Borrower is accepted by Fincare, the Borrower shall not be entitled to cancel the Loan or to refuse to accept disbursement of the Loan, except with the approval of Fincare and payment to Fincare of such cancellation or foreclosure charges as may be stipulated by Fincare.

### **2.2 INTEREST**

- a. The Borrower shall be charged Interest from the date of disbursal of the Loan and as stated in the Schedule II.
- b. PROVIDED THAT in the event the Bank reduces or increases the Interest prior to the disbursement of the full Loan, the applicable rate of Interest shall be varied on weighted average basis with reference to the tranches disbursed / to be disbursed. The Bank shall be entitled to revise the rate of Interest at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the tenor of the Loan at its sole discretion. Such variation/revision in respect of the Interest rate shall have a prospective effect. The Bank shall inform the Borrower about the variation in the Interest / interest rate in due course by way of publishing it in any newspaper/notice board/ bank website or by sending as an intimation to the Borrower(s)/Co-Borrower(s). The Borrower shall reimburse or pay to the Bank such amount as may have been paid or payable by the Bank to the Central or State Government on account of any tax levied on interest (and/or other charges) on the Loan by the Central or State Government. The Borrower shall make the reimbursement or payment as and when called upon to do so by the Bank. The Borrower shall also bear all the tax, toll, duties levies, cess or any other tax as may be imposed by the central government, state government, judicial, quasi, judicial or any municipal authorities, which may be if required chargeable on the property and shall also be liable to reimburse such taxes, tolls, duties, levies, cess, etc., to the Bank. Without Bank's prejudice to the rights, Interest as aforesaid and the other amounts payable by the Borrower shall be charged/ debited to the Borrower's Loan account on the respective Due Date thereof and shall be deemed to form part of the outstanding Loan. Such Interest and other

amounts shall, accordingly attract Interest at the same rate as applicable to the Loan in terms of this Agreement until payment thereof. Notwithstanding anything to the contrary, if the Borrower makes any excess payment in a particular month, the same will not be reduced from the total Interest committed/payable by the Borrower.

### 2.3 COMPUTATION OF INTEREST

The EMI comprises of Principal and Interest calculated on the basis of rate of Interest mentioned in Schedule II and is rounded off to the next Rupee calculated on monthly rests and any other charges shall be computed on the Actual by Actual basis. However, in the event of the Borrower intends to foreclose the Loan, the Interest would be calculated up to the date of actual foreclosure.

### 2.4 PAYMENT OF OTHER EXPENSES

The Borrower undertakes to pay forthwith on demand to the Bank all costs and expenses (including legal costs between legal counsel and clients) on a full indemnity basis incurred and or to be incurred by the Bank for investigation of title to any Property offered as security and for the preparation, execution, preservation, performance, enforcement and realization of the outstanding Loan amount, security documents and other instruments creating and/or evidencing the creation of any security for the Loan as also any other instruments required in connection with the Loan.

### 2.5 DETAILS OF DISBURSEMENT:

The Bank shall disburse the Loan in one lump sum or in suitable instalments having regard to the needs of the Borrower. The decision of the Bank in this regard shall be final, conclusive and binding on the Borrower. The Borrower/ Co- Borrower shall acknowledge the receipt, in the form required by the Bank, of each amount so disbursed.

### 2.6 MODE OF DISBURSEMENT:

- a. The Borrower(s)/Co-Borrower(s) hereby acknowledge the receipt of the loan disbursed as - the disbursement of the loan will be done directly to the Borrower(s)/Co-Borrower(s) or to the existing financier/bank or to any person as indicated and requested by the Borrower(s)/Co-Borrower(s) as the case may be. Disbursement shall be deemed to have been made to the Borrower(s)/Co-Borrower(s) from the date of disbursement cheque or payment advise as the case may be, irrespective of the date on which the disbursement may have been received by or on behalf of the Borrower(s)/Co-Borrower(s). All payments to be made by Fincare to the Borrower(s)/Co-Borrower(s) under or in terms of the loan shall be made by a demand draft/pay order/ cheque dully crossed and marked account payee or by transferring the funds in the account maintained with bank as requested by the Borrower(s)/Co-Borrower(s). The collection charges if any in respect of all such demand draft/pay order/ cheques will have to be borne by the Borrower(s)/Co-Borrower(s).
- b. The Bank shall have the right to adjust PEMII or any other dues against undisbursed amount of the Loan.
- c. Disbursement shall be deemed to have been made to the Borrower on the date of the disbursement by way of cheque or pay order as the case may be or on the date of setting up of the Loan account limit.
- d. Interest on the Loan will begin to accrue in favour of the Bank as and from the date of disbursement of the Loan.

### 2.7 LOAN TENOR

This Agreement shall come into force on the Effective Date and shall remain in force as stipulated in the Schedule II. If one or more events specified in the Events of Default occurs, then the bank by a written notice to the Borrower(s)/Co-Borrower(s) may terminate the facility and recall the loan, which will become repayable forthwith along with applicable charges. Notwithstanding anything contained herein this Agreement, Fincare reserves the right to recall the loan on demand, without assigning any reason to the Borrower(s)/Co-Borrower(s).

### 2.8 AMORTIZATION

- a. The Borrower will amortize the Loan as stipulated in the Schedule II, subject to any other changes in such amortization as may be communicated later in writing by the Bank to the Borrower, from time to time as required. However, in the event of delay or advancement, for any reason whatsoever, in the disbursement of the Loan, the Due Date of payment of the first EMI shall, in such case, be the corresponding day of the following month to the day currently stated in Schedule II.
- b. The Borrower shall also pay to the Bank PEMII every month, until commencement of EMI, if applicable.
- c. The Borrower agrees that the repayment of the Loan together with Interest, additional Interest and all such other sums due and payable by the Borrower to the Bank shall be payable at the place where the branch of the Bank is situated or such other notified by the Bank to the Borrower by way of PDC and/or SI and/or ECS and/or NACH, details whereof are mentioned in the Schedule II. The Borrower agrees that the amount shall be remitted to the Bank on the Due Date of



EMI. In the event of any dishonour of PDC/SI/ECS/NACH instruction the Borrower agrees to pay a dishonour charge as mentioned in Schedule II, in addition to any additional interest that may be levied by the Bank. The Bank shall be entitled to revise the dishonour charge at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the tenor of the Loan at its sole discretion. Such variation/revision in respect of the dishonour charges shall have a prospective effect. The Bank shall inform the Borrower about the variation in the dishonour charge in due course by way of publishing it in any newspaper/notice board/ bank website or by sending as an intimation to the Borrower(s)/Co-Borrower(s)

- d. In the event of any variation in:
  - The date of payment of EMIs or
  - The amount of Interest, Principal or EMIs or
  - The numbers thereof, the Borrower agrees and undertakes to forthwith issue fresh PDCs/ ECS/SI/NACH instructions to the Bank as may be required by the Bank.
- e. Notwithstanding what is stated in this Agreement and in Schedule II, the Bank shall have the right at any time or from time to time to review and reschedule the repayment terms of the Loan or of the outstanding amount thereof in such manner and to such extent as the Bank may in its sole discretion decide. In such event/s the Borrower shall repay the Loan or the outstanding amount thereof as per the revised schedule as may be determined by the Bank in its sole discretion and communicated to the Borrower by the Bank in writing.
- f. The Bank shall have the right to require the Borrower to furnish such information/documents concerning his employment, trade, business or profession at any time and the Borrower shall furnish such information/documents immediately.
- g. After execution of this Agreement no notice, reminder or intimation will be issued to the Borrower(s)/Co-Borrower(s) regarding his obligation to pay the instalment regularly on due date. It shall entirely be the responsibility of the Borrower(s)/Co-Borrower(s) to ensure prompt and regular payment of the instalments.

## 2.9 DELAY/DEFAULT IN PAYMENT

- a. The Borrower shall pay in full the PEMII, EMI and all other amounts without any demur, protest or default and without claiming any set-off or counter claim on the respective Due Dates. No notice, reminder or intimation shall be given to the Borrower regarding his obligation and responsibility to ensure prompt and regular payment of Interest, PEMII, EMI and all other amounts payable by the Borrower to the Bank on the respective Due Dates.
- b. On the happening of any Events of Default as set out in Article 7 of this Agreement such defaulted amount shall carry Default Interest at the rate of Interest as mentioned in the Schedule II , computed from the respective due dates and shall be compounded on monthly basis.
- c. Without prejudice to the Bank's other rights, the delay in payment of EMI or PEMII by the Borrower, shall render the Borrower liable to pay additional Interest at the rate mentioned in the Schedule II ("**Additional Interest**") or at such higher rate as per the rules of the Bank in that behalf as in force from time to time and communicated to the Borrower by the Bank in writing. Such Additional Interest shall be charged/debited to the Borrower's Loan account on the respective Due Dates and shall be deemed to form part of the outstanding Loan. Such Interest and other amounts shall accordingly attract Interest at the same rate as applicable to the Loan and as stated in Schedule II. In such event, the Borrower shall also be liable to pay incidental charges and costs to the Bank.

## 2.10 PRE-PAYMENT/ FORECLOSURE AND PART PAYMENT OF THE LOAN

- a. The Bank may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit pre-payment/ acceleration of EMIs or pre-payment at the request of the Borrower subject that the Bank may specify, from time to time, the minimum amount of prepayment/amounts payable on account of acceleration of EMIs. If permitted by the Bank, the Borrower shall give prior written notice of his intention to pre-pay the full amount of Loan and pay to the Bank such pre-payment charges mentioned in the Schedule II herein below, subject to change by the Bank from time to time. The Borrower shall not be entitled to make any pre-payment, notwithstanding the above, if the Borrower pays any amount to the Bank before the Due Date, the Bank shall be entitled to appropriate the same in such manner as it deems fit. And the Bank will give the Borrower credit for the same only on Due Date and not before.
- b. If the Borrower makes a Part Payment of the amount payable by the Borrower to the Bank, the Bank shall be entitled to adjust the amount pre-paid against the amount payable by the Borrower in such manner as the Bank thinks fit.
- c. In the event the Bank permits any part payment, the repayment schedule shall be altered by the Bank at the request of the Borrower and the Borrower agrees to adhere to the altered re-payment schedule.

## 2.11 PROCESSING FEES

The Borrower acknowledges that processing fee as mentioned in Schedule II has been paid by the Borrower.

## 2.12 TERMINAL DATE FOR DISBURSEMENT

The Bank may suspend or cancel further disbursements of the Loan, if the Loan shall not have been fully drawn within three months from first date of disbursement of the Loan or such other period as may be decided by the Bank.

## 2.13 ALTERATION AND RE-SCHEDULING OF EMI

If the entire amount of the Loan is not fully drawn by the Borrower within a period of 36 months from the Effective Date, EMIs shall be altered and rescheduled in such manner and to such extent as the Bank may, in its sole discretion, decide and the repayment shall thereupon be made as per the said alteration and re-scheduling notwithstanding anything stated in this Agreement.

## 2.14 LIABILITY OF THE BORROWER TO BE JOINT AND SEVERAL

Where the Loan is provided to more than one Borrower or where the payment obligations are secured by any guarantee, notwithstanding anything herein stated, the liability of the Borrower/s to repay the Loan together with Interest, and all other amounts and to observe these terms and conditions and terms and conditions of any other agreement/s, document/s that may be executed by the Borrower with the Bank in respect of the Loan or any other loan, is joint and several.

## 2.15 CROSS DEFAULT

The Borrower agrees and acknowledges that any default by the Borrower under any credit facility agreement or arrangement entered into by the Borrower with the Bank, any bank and/or financial institution/non-banking financial company and/or other creditors, shall constitute an event of default under this Agreement and vice-versa.

## 3. CONDITIONS PRECEDENT

3.1 The following shall be conditions precedent for disbursal of the Loan or any tranche thereof:

- a. Prior to the disbursement, the security over the Property as set out should create;
- b. The Borrower shall have an absolute, clear, marketable title to the Property and the Property shall be, and shall continue to be absolutely unencumbered and free from liability or any other charges, except for the Loan;
- c. The Borrower meets the Bank's requirement of creditworthiness. The Bank shall be entitled to make or cause to be made inquiries of such nature as the Bank may deem fit of the creditworthiness of the Borrower. The Bank shall be further entitled to call for such credentials from the Borrower as may be required to prove the creditworthiness of the Borrower;
- d. The Borrower shall have an absolute, clear and marketable title to the Property and that the Property is absolutely unencumbered and free from any liability and prior charges;
- e. No Event of Default / Cross-default shall have occurred;
- f. At the time of request for the disbursement of the Loan or tranche thereof, the Borrower shall produce such evidence of the proposed utilization of the proceeds of the disbursement of the Loan or any tranche thereof in the manner set out in the End Use Letter to this Agreement, as and when required by the Bank to evidence that the Loan will be utilised only for the Purpose;
- g. No extraordinary or other circumstances shall have occurred which shall make it improbable for the Borrower to fulfil his/its obligations under this Agreement;
- h. The Borrower shall have executed and delivered a money bond or a demand promissory note in favour of Bank for Loan;
- i. The Borrower shall have satisfied the Bank to the effect that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower, or is threatened by or against the Borrower, before any Court of Law or Government authority or any other competent authority which might have a material effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement and/or other security documents executed by the Borrower in favour of the Bank;
- j. The Borrower shall have executed all the Transaction documents to the satisfaction of the Bank.

## 4. SECURITY

4.1 The Borrower agrees to create security interest over the Property in such form and manner as may be required by the Bank to secure the Principal together with Interest, additional Interest, costs, charges, expenses etc. due and payable by the Borrower to the Bank by way of creating mortgage.



4.2 ADDITIONAL SECURITY: In the event the Property offered as security by the Borrower is found to be insufficient/ incorrect in value, the Borrower shall be directed to furnish additional security as may be required by the Bank. Notwithstanding the above, in the event the Property is subsequently found to be of inferior value to that as declared by the Borrower in the Loan Application, the Loan may be recalled and/or repayment of the Loan may be accelerated by the Bank with immediate effect.

4.3 CONTINUING SECURITY:

- a) The Property as well as any additional security furnished by the Borrower to the Bank in connection with the Loan shall remain a continuing security to the Bank and the same shall be binding upon the Borrower.
- b) The Borrower agrees that the Property or any additional security shall not be discharged/released by intermediate payment by the Borrower or any settlement of accounts by the Borrower or any Part Payment of the Loan till such time all the dues in respect of the Loan are fully paid to the satisfaction of the Bank and the Bank consents to give a discharge/release in respect of the Property in writing to the Borrower, in its own discretion.
- c) The security shall be in addition to and not in derogation of the Property, which the Bank may at any time hold in respect of the Borrower's Dues and shall be available to the Bank until all accounts between the Bank and the Borrower in respect of the Loan are ultimately settled.

4.4 CROSS LIABILITY:

- a) The Borrower further agrees that the security created shall also be security for (a) all other monies that may be due and payable by the Borrower to Fincare, on any account whatsoever, whether present or future, including any liability of the Borrower as a surety or co-obligator either singly or along with any other person and /or (b) Loan granted / continued to the group companies/ associate of the Borrower as declared from time to time.
- b) The Borrower agrees with, and undertakes that Fincare, shall have an exclusive first ranking charge over the Property and any additional security created and that the Borrower shall not create any other encumbrance, charge or security interest in the Property or any additional security so created in favour of any other person or body, except with the prior written consent of Fincare. The said charge over the Property created by the Borrower under this Agreement shall continue and remain in force till such time the Borrower's Dues under this Agreement and in respect of all other loan/facility obtained /to be obtained by the Borrower from Fincare, and group companies are fully discharged and Fincare / group companies issue a certificate of discharge of the Loan. The security created under this Agreement and the liability of the Borrower shall not be affected, impaired or discharged by winding up (voluntary or otherwise) or by any merger or amalgamation, reconstruction, takeover of the management, dissolution or nationalization (as the case may be) of the Borrower. The Borrower covenants that the security provided by the Borrower shall remain valid for the balance amount of the Loan due to Fincare, or any other financial benefits obtained by the Borrower from any of the group companies.

**5. COVENANTS**

5.1 PARTICULAR AFFIRMATIVE COVENANTS: The Borrower covenants with the Bank that during the tenor of the Loan:

- a) Utilization of Loan: The Borrower shall ensure that the entire Loan will be utilized for the Purpose and for no other purpose whatsoever.
- b) The Borrower shall maintain the Property in good order and condition and all necessary repairs, additions and improvements thereto will be made during the currency of the Loan and the Borrower will ensure that the value of the Property does not diminish.
- c) The Borrower shall notify the Bank of any change in the Borrower's employment, business or profession. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Bank informed about the financials of his business on a regular basis as may be notified to him by the Bank. In the event the Borrower is a company, partnership or sole proprietor, the Borrower shall provide the Bank such information and/or documents as may be required by the Bank.
- d) The Borrower shall notify the Bank of any change in his/its residential status within 15 (fifteen) days of such change.
- e) The Borrower shall duly and punctually comply with all the terms and conditions of holding the Property and all the rules, regulations, bye-laws, etc., of the concerned co-operative society, association, company or any other competent authority, and pay such maintenance and other charges for the upkeep of the Property as also any other dues, etc., as may be payable in respect of the Property and/or of the use thereof.
- f) The Borrower, at its/ his cost, shall ensure that the Property is insured, to the satisfaction of the Bank, against fire, earthquake, flood, storm, tempest or typhoon and other hazards, as may be required by the Bank, with the Bank being made the sole beneficiary under the policy/ies, for a value as required by the Bank and produce evidence thereof to the Bank from time to time and wherever called upon to do so.

- g) Until the Loan is discharged in full along with payments of all charges and levies, the Borrower shall ensure that the insurance policy/ies wherein the Bank is the sole beneficiary are valid, subsisting and operative by complying with the terms of issue of such insurance policy/ies including the timely payment of the premium for such policy/ies and agree to produce the necessary proof/receipts of such validity/subsistence/operativeness to the Bank whenever required.
- h) The Borrower shall promptly inform the Bank of any loss or damage to Property due to any act of God or damage or other risks against which the Property may not have been insured.
- i) The Borrower shall pay all municipal taxes, ground rent and such other municipal and local charges in accordance with the municipal laws and regulations.
- j) The Borrower shall allow any person authorized by the Bank to have free access to the Property for the purpose of inspection.
- k) The Borrower shall promptly give written notice to the Bank of any dispute which might arise between the Borrower and any person or any governmental body or authority relating to or concerning the Property.
- l) Any distress or execution being carried out against the Property.
- m) Any material circumstances affecting the ability of the Borrower to repay the Loan in the manner stipulated hereunder.
- n) The Borrower shall, on the Bank's request, do, perform and execute such acts, deeds, matters and things as the Bank may consider necessary either to perfect the security over the Property or any other security provided for or to carry out the intent of this Agreement.
- o) The Borrower shall confirm that the true copies of the document submitted for the Purpose are genuine. The Bank may at any time, call for or require verification of originals of any/all such copies. Any such copy in possession of the Bank shall be deemed to have been given only by the Borrower.
- p) The Borrower confirms that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower, threatened, by or against the Borrower before any court of Law or Government authority or any other competent authority which might have a Material Adverse Effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement or any of its terms and conditions.
- q) The Borrower agrees, confirms and acknowledges that the documents pertaining to acquisition of Property as entered into by the Borrower or executed for and on behalf of the Borrower which is the subject matter of the Loan are valid and subsisting during the tenor of the Loan, subject to the terms of this Agreement, and the legal and beneficial ownership of the Property shall continue being in the name of the Borrower during the tenor of the Loan subject to the terms of this Agreement.
- r) If the Borrower is a company, the Borrower shall register the charge created in favour of the Bank in proper form with the Registrar of Companies within a period of 30 days from the date of creation of charge over the Property.
- s) The Borrower confirms that the Borrower has a clear and marketable title to the Property offered or to be offered as security, and the same is free from all reasonable doubts and encumbrances.
- t) If the Borrower is a Person other than an individual, the Borrower shall promptly inform the Bank of change in location of its office/registered office, name, main business activity of the Borrower.
- u) The Borrower shall bear all costs of making good any deficit in stamp duty on the documents executed by the Borrower in relation to the Loan and/or security created by the Borrower in favour of the Bank.
- v) The Borrower agrees that any security provided by the Borrower to the Bank under any other credit facility shall be available to the Bank under this Loan Agreement upon the occurrence of an event of default under this Loan Agreement and vice versa.
- w) The Borrower agrees to furnish such number of PDCs/SPDCs to the Bank as may be required by the Bank.
- x) The Borrower agrees and gives an undertaking to obtain all the regulatory consents, licenses, approvals in line with the National/State regulations and for the due performance of the obligations of the Borrower hereunder and to ensure that this Agreement is enforceable in accordance with its terms.

5.2 NEGATIVE COVENANTS: The Borrower further covenants with the Bank that unless, the Bank otherwise previously approve in writing, the Borrower shall not:

- a) Use the Loan for any speculative purpose or a purpose other than that stated in the Loan Application.
- b) Let out or give on leave or licence or otherwise howsoever part with the possession of the Property or any part thereof.

- c) Sell, mortgage, lease, surrender or otherwise howsoever alienate, encumber or create any third party interest in the Property or any part thereof.
- d) Make and/or allow to be made any material alterations and/or additions in the Property.
- e) Enter into any agreement or arrangements with any person, institution or local or Government body for the use, occupation or disposal of the Property or any part thereof.
- f) Change use of the Property provided that if the Property is used for any purpose other than residential/commercial purpose stated therein, in addition to any other action which the Bank might take, the Bank shall be entitled to charge, in its sole discretion, such higher rate of interest as it might fix in the circumstances of the case.
- g) Amalgamate or merge the Property or any of his other property with any other adjacent property nor shall the Borrower create any right of way or any other easement on the Property.
- h) Stand surety for anybody or guarantee the repayment of any loan or the purchase price of any asset.
- i) Execute any document, such as Power of Attorney, or any other similar or other deed, in favour of any person to deal with the Property in any manner.
- j) Effect any oral or other partition of the Property or enter into any family arrangement or use it for the purpose of business.
- k) Borrow from any source or charge the Property until the Borrower's Dues are paid in full.
- l) If the Borrower is a company- make any change in the constitution, management or existing ownership or control or share capital of the Borrower;
- m) If the Borrower is a partnership firm, dissolve or admit new partners in the partnership;
- n) If the Borrower is a company or a partnership firm, enter into a reconstruction or arrangement or merge or amalgamate with any other company or body corporate or enter into any partnership;
- o) Leave India for employment or business or for long term stay abroad without fully repaying the Loan together with Interest and other dues and charges including Prepayment charges as contained in the Schedule II. If the Borrower becomes a Non Resident Indian, the Borrower agrees to repay the Loan in accordance with the rules, regulations, guidelines and norms of the RBI.
- p) Enter into any agreement for cancellation of/cancel the sale deed/s entered into by the Borrower for the purchase of the Property.

## 6. REPRESENTATION AND WARRANTIES

6.1 The Borrower warrants and undertakes to the Bank as under:

- a. The Borrower assures the Bank that the Borrower has absolute clear and marketable title to the Property and that the Property and that the Property is absolutely unencumbered and free from any liability whatsoever.
- b. The Borrower shall continue to remain in occupation/ possession of the Property and shall not part with the possession thereof either partly or wholly until the entire Loan with Interest has been repaid to the Bank.
- c. The information given in the Loan Application and End Use Letter and any prior or subsequent information provided or explanation furnished to the Bank in this behalf are true, complete and accurate in every respect.
- d. The purpose for which the Loan is taken is not illegal, speculative or nefarious.
- e. The Borrower assures that subsequent to the application there has been no material change, which would affect the acquisition of the Property/construction of a dwelling unit on the land comprising the Property or the grant/provision of Loan by the Bank to the Borrower.
- f. The Borrower is not aware of any document, judgement or legal process or other charges or of any latent or patent defect affecting the title of the Property or of any material defect in the Property which has remained undisclosed and/or which may affect the Bank prejudicially.

- g. The Property is not included in or affected by any of the schemes of Central/State Government or of the improvement trust or any other public body or local authority or by any alignment, widening or construction of road under any scheme of the Central/State Government or of any Corporation, Municipal Committee, Gram Panchayat etc.
- h. The Borrower has paid and will pay when due, all public demands such as Income Tax, Property Taxes and all the other taxes and revenues payable to the government of India or to the Government of any State or to any local authority and that at present there are no arrears of such taxes and revenues due and outstanding.
- i. The Borrower has disclosed/furnished all facts/information to the Bank in respect of the Loan and all information in the Loan Application or in any supporting documents or otherwise howsoever is absolutely true, correct and complete in all respects and that no fact or information necessary to be furnished by the Borrower has been omitted to state in order to induce the Bank to provide the Loan.
- j. The Borrower does not violate any covenant, conditions or stipulations under any existing Agreements entered into by the Borrower with any party, by availing the Loan from the Bank.
- k. The Borrower assures that all the necessary approvals for availing the Loan and creating the security/securities have been obtained or shall be obtained.
- l. The Borrower is entitled and empowered to borrow the Loan, provide the security documents, and execute the promissory notes if any and all other documents and papers in connection with and upon execution of the same will create legal and binding obligations on the Borrower and shall be enforceable in accordance with their respective terms.
- m. The Borrower shall keep himself acquainted with the rules prescribed by the Bank as well as statutory norms and laws in force from time to time.
- n. The Borrower assures that no suit is pending in the Municipality, Magistrate's Court or any Court of Law in respect of the Property nor has the Borrower been served with any notice for infringing the provisions of the Municipal Act or any other Act relating to local bodies or Gram Panchayats or Local authorities or with any other process under any of these Acts.
- o. The Borrower confirms that the representations and warranties contained herein shall be deemed to be repeated by the Borrower on and as of each day from the date of this Agreement until all sums due or owing hereunder by the Borrower to the Bank have been paid in full, as if made with reference to the facts and circumstances existing on such day.
- p. The Borrower declares, assures and states that, except as mentioned hereunder, the Borrower is not a director nor relative\* of any director or none of its directors/ partners /members (if the Borrower is a company/partnership firm) is a director of the Bank or any other Banks including Scheduled Co-operative Banks, subsidiaries/ trustees of mutual funds/ venture capital funds and the Borrower is not a relative\* or none of its directors/ partners/ members (if the Borrower is a company/ partnership firm) of any Senior Officer\* of the Bank or of any other Banks \*The term 'Senior Officer' means an officer of the Bank, who is in equivalent scale as an officer in senior management level in Grade IV any officer and above in a nationalised bank or any officer in equivalent scale in the State Bank of India and associate banks and in any banking company incorporated in India.
- q. \*The term "relative" shall mean and include any or all of the following persons: (a) Spouse (b) Father (c) Mother (including step-mother) (d) Son (including step-son) (e) Son's Wife (f) Daughter (including step-daughter) (g) Daughter's Husband (h) Brother (including step-brother) (i) Brother's wife (j) Sister (including step-sister) (k) Sister's husband (l) Brother (including step-brother) of the spouse (m) Sister (including step-sister) of the spouse.

The Borrower makes the above declaration solemnly and sincerely believing the same to be true and knowing fully well that on the faith and strength of the correctness thereof the Bank has agreed to grant the Facility. The Borrower also agrees that it is a condition of the grant of the Facilities that if any statement made with reference to the above is found to be false at any time the Bank shall at liberty and entitled to revoke the Facilities.

(OR)

The Borrower declares that the Borrower is related to the directors and /or Senior Officer(s) of the Bank or of any other Banks as specified hereto:

S.No.	Name of Director(s)/ Senior Officer(s)	Designation	Relationship
1			
2			
3			

## 7. EVENTS OF DEFAULT

7.1 Each of the following events shall be considered as "Events of Default": -

- a. If any default shall have occurred in payment of Interest and/or EMIs or any part thereof and/or in payment of any other amounts due and payable to the Bank including any charges, fees and suchlike, in terms of this Agreement and/or in terms of any other agreement(s)/document(s) which may be subsisting or which may be executed between the Borrower and the Bank hereafter;
- b. If default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Borrower under this Agreement or any other Transaction Document or if there has been any breach of the terms of this Agreement or any other Transaction document entered into between the Borrower and the Bank in respect of the Loan or any other loan;
- c. If any information given by the Borrower to the Bank in the Loan Application or in any representation or warranty referred to in Article 6 or otherwise is found to be misleading or incorrect in any material respect or ;
- d. If the Property or any security based on which the Loan is created depreciates in value to such an extent that in the opinion of the Bank further security should be given and such security is not given on written demand;
- e. If the right of the Bank to enforce the security over the Property is altered, jeopardised or affected in any manner;
- f. If the Property or any part thereof is let out, given on leave and license, sold, disposed of, charged, encumbered or otherwise alienated in any manner whatsoever without the prior written approval of the Bank;
- g. If an attachment or distraint is levied on the Property or any part thereof and/or proceedings are taken or commenced for recovery of the Borrower's Dues;
- h. If the Borrower fails to furnish any information or documents required by the Bank;
- i. If the Borrower fails to inform the Bank of the occurrence of any Event of Default or any event which after the notice or lapse of time, or both, would become an Event of Default;
- j. If a cheque in respect of any monthly payment is not paid on the date thereof or where any such cheque is renewed before the date of its payment; or if a cheque in respect of any payment including but not limited to EMI is dishonoured;
- k. If the Borrower fails to deliver PDCs in accordance with the terms of the Loan or as and when demanded by the Bank;
- l. If any security for the Loan becomes infructuous or is challenged by the Borrower or any other person;
- m. Where the Borrower or where the Loan has been provided to more than one Borrower, any one of the Borrowers is divorced or dies and the other surviving borrower is incapable of securing the Loan in the sole opinion of the Bank;
- n. Where any payment made by the Borrower to the Bank falls short of payment required to be made by the Borrower with respect to the amount due from the Borrower to the Bank;
- o. When the Borrower/s dies;
- p. If the Borrower fails to furnish to the Bank detailed End Use Letter as and when required by the Bank within 10 (ten) days of receiving such request from the Bank;
- q. There is any change in the constitution, management or existing ownership or control of share capital of the Borrower (in case the Borrower is a company or partnership firm) without having obtained the prior written approval of the Bank;
- r. Where the Borrower is an individual, if the Borrower commits an act of insolvency or makes an application for declaring himself an insolvent or an order is passed against the Borrower declaring him an insolvent/ Where the Borrower is a partnership firm, if the Borrower, it is dissolved or a notice of dissolution is given to it or any of its partners or if the Borrower or any of its partners commits an act of insolvency or makes an application for being declared insolvent or an order is passed declaring it or them or any of them an insolvent/ Where the Borrower is a company, if the Borrower is unable to pay its debts within the meaning of the Companies Act, 2013 and any amendments thereto or a resolution for winding-up of the Borrower is passed or any petition for its winding-up filed or any order for winding-up is made against the Borrower or if a liquidator is appointed in respect of any property or estate of the Borrower;
- s. If any permission, authorization, issued by the competent authority (ies) with respect to construction and/or legality of the Property is withdrawn or cancelled or withheld for any reason whatsoever;

- t. If the Borrower makes any default under any credit facility agreement or arrangement entered into by the Borrower with the Bank, its subsidiaries, affiliates or any bank, financial institution / non- banking financial company and/or other creditors;
- u. If the Borrower fails to sign and deliver to the Bank the balance confirmation of the Loan as and when so required by the Bank in the absence of any manifest error in calculation of such statement pointed out by the Borrower within 10 days after receiving the balance confirmation statement from the Bank.
- v. The borrower is prohibited from using the loan amount or any part thereof for any purpose other than for which it has been sanctioned and if the bank apprehends or it has reason to believe that the borrower has violated or is violating this condition, it has right to recall the loan amount or any part thereof at once notwithstanding anything to the contrary contained in the above or any other agreement.

## **8. REMEDIES OF THE BANK**

- 8.1 If one or more of the Events of Defaults shall have occurred, then, the Bank, by a written notice to the Borrower may declare the Principal and all accrued Interest and charges on the Loan which may be payable by the Borrower under or in terms of this Agreement and/or any other agreements, documents subsisting between the Borrower and the Bank, as well as all other charges and dues to be due and upon such declaration the same shall become due and payable forthwith and the security in relation to the Loan and any other loans shall become enforceable, notwithstanding anything to the contrary in this Agreement or any other agreement/s or documents.
- 8.2 If any Event of Default or any event, which, after the notice or lapse of time or both, would constitute an Event of Default shall have happened, the Borrower shall forthwith give to the Bank notice thereof in writing specifying such Event of Default, or such event.
- 8.3 All reasonable costs incurred by Bank after an Event of Default has occurred in connection with:
  - Preservation of the Borrower's Property (whether now or hereafter existing); or
  - Collection of amounts due under this Agreement may be charged to the Borrower and reimbursed, as the Bank shall specify.
- 8.4 The Bank may issue any certificate as regards payment of any amounts paid by the Borrower to Bank in terms of this Agreement only if the Borrower has paid all amounts due under this Agreement to the Bank and the Borrower has complied with all the terms of this Agreement.
- 8.5 In the Event of Default, the Bank shall be entitled to communicate, in any manner it may deem fit, to or with any person or persons with a view to receiving assistance of such person or persons in recovering the defaulted amounts including but not limited to visiting the Property and/or any place of work of the Borrower.
- 8.6 To recall the loan and recover the entire dues.

## **9. WAIVER**

No delay in exercising or omission to exercise, any right, power or remedy accruing to the Bank upon any default under this Agreement, mortgage deed or any other agreement or document, shall impair any right, power or remedy or shall be construed as a waiver thereof or any acquiescence in such default affect or impair any right, power or remedy of the Bank in respect of any other default.

## **10. EFFECTIVE DATE OF TERMS AND CONDITIONS**

This Agreement shall become binding on the Borrower and the Bank on and from the date of execution hereof. It shall be in full force till the Loan is fully Amortized/repaid and any other moneys due and payable to the Bank under this Agreement as well as all other agreements, documents which may be subsisting/ executed between the Borrower and the Bank is fully paid. In case of any change in terms and conditions of the Loan Agreement, the same shall be informed to the Borrower by a written notice.

## **11. INSPECTION, ASSIGNMENT**

- a) The Borrower shall permit inspection of all books of accounts and other records maintained by him in respect of the Loan to officers of the Bank. The Borrower shall also permit similar inspection by officers of such other companies, banks, institutions or bodies as Bank may approve and intimate to the Borrower.
- b) The Bank shall have the right to create charge over the Property in favour of any bank, institution or body by way of security for any refinance facility or any loan availed of by Bank from such bank, institution or body. The Bank shall also have the right to transfer or assign the mortgage over the Property in favour of any bank, institution or body in connection with any sale or transfer of the Loan by Bank to them.



c) The Bank shall have the authority to make available any information contained in the Loan Application and/or any document or paper or statement submitted to the Bank by or on behalf of the Borrower and/or pertaining or relating to the Borrower and/or the Loan including as to its repayment, conduct, to any rating or other agency or institution or body as Bank in its sole discretion may deem fit. The Bank shall also have the authority to seek and/or receive any information as it may deem fit in connection with the Loan and/or the Borrower from any source or person or entity to whom the Borrower hereby authorizes to furnish such information.

**12. DISCLOSURE**

12.1 The Borrower hereby agrees as a pre-condition of the Loan given to the Borrower by the Bank that, in case the Borrower commits default in the repayment of the Loan or in the repayment of Interest thereon or any of the agreed instalment of the Loan on Due Date(s), the Bank and/or the RBI will have an unqualified right to disclose or publish the Borrower's name as defaulter in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit. Accordingly, the Bank shall have the right to furnish and publish the name of the Borrower as defaulter to the RBI, CIBIL, Information Utility (IU) or other regulatory authority. Notwithstanding the above, the Borrower understands that as a pre-condition relating to grant of the Loan to the Borrower, the Bank requires the Borrower's consent for the disclosure by the Bank of information and data relating to the Borrower, of the credit facility availed of/to be availed by the Borrower, obligations assumed/to be assumed by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof. Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Bank of all or any such

- a) Information and data relating to the Borrower;
- b) The information or data relating to any credit facility availed of/to be availed by the Borrower; and
- c) Default, if any, committed by the Borrower in discharge of such obligation as the Bank may deem appropriate and necessary to disclose and furnish to CIBIL, Information Utility (IU) and any other agency/ statutory bodies authorized in this behalf by RBI or by law.

12.2 The Borrower further declares that the information and data furnished by the Borrower to the Bank are true and correct.

12.3 The Borrower also understands and agrees that:

- a) The CIBIL and any other agency so authorized may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
- b) The CIBIL and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them, to banks/financial institutions/ statutory bodies and other credit grantors or registered users, as may be specified by the RBI or by law in this behalf.

12.4 The Bank may disclose to a potential assignee or to any person who may otherwise enter into contractual relations with the Bank in relation to this Agreement such information about the Borrower, as the Bank may deem appropriate.

12.5 The Borrower confirms that the Bank may for the purposes of credit reference checks, verification, etc., disclose any information/ documents relating to the Borrower under this Agreement to any third party.

12.6 The Borrower further authorizes the Bank to disclose such information/documents to RBI, Income Tax Authorities, CIBIL, Information Utility (IU), third parties, credit rating agencies, databanks, corporates, other banks, financial institutions or any other Government or Regulatory Authorities, statutory authorities, statutory bodies, quasi-judicial authorities

12.7 Borrower understood and confirms that, in case non-payment of dues as per the terms of the facility, the loan account shall be treated as below,

(a) Special Mention Accounts:

The Bank identifies incipient stress in accounts by creating a sub asset category named Special Mention Accounts (SMA). It is considered as a corrective action plan to arrest slippages of standard assets to NPA status. Accordingly, Bank will classify it in three SMA sub categories as given below;

Basis for Classification	
SMA categories	Principal or interest payment or any other amount wholly or partially overdue for
SMA-0	1 - 30 days
SMA-1	31 - 60 days
SMA-2	61 - 90 days

(b) Non Performing Assets classification :

Non Performing Asset (NPA) is a loan or an advance where Interest and/or instalment of principal remain overdue for a period of more than 90 days in respect of a Term Loan.

Example:

- a) SMA-0: If due date of a loan account is 31 Mar 2021, and full dues are not received before the Bank runs the day-end process for this date, then this account shall get tagged as SMA-0 and the date of SMA-0 (overdue) shall be 31 Mar 2021.
- b) SMA-1: If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on 30 Apr 2021 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be 30 Apr 2021.
- c) SMA-2: if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on 30 May 2021 i.e. upon completion of 60 days of being continuously overdue. Accordingly, the date of SMA-2 classification for that account shall be 30 May 2021.
- d) NPA: and if the account continues to remain overdue further, it shall get classified as NPA upon running day-end process on 29 June 2021 i.e. upon completion of 90 days of being continuously overdue. Accordingly, the date of NPA classification for that account shall be 29 June 2021. Once the account is classified as NPA, details of the account (asset quality) will be notified to CIBIL which impacts the credit score.

### 13 SECURITIZATION/ ASSIGNMENT

- 13.1 The Bank reserves the right to assign/sell/securitise the Loan with or without security, if any, in any manner by transferring and/or assigning or otherwise all its right, title and interest which the Bank deems appropriate and the Borrower hereby expressly agrees that in that event, Bank is not required to obtain any permission or put the Borrower to any notice.
- 13.2 The Borrower shall be bound to accept any such securitization and any such sale, assignment, or transfer and the Borrower shall accept such other party (s) as creditors exclusively or as a joint creditor with the Bank, or as a creditor exclusively with the right of Bank to continue to exercise all powers hereunder on behalf of any such other party.
- 13.3 Any cost in this behalf, whether on account of such sale, assignment or transfer or enforcement of rights for recovery of the Borrower's Dues shall be to the account of the Borrower and the Borrower undertakes to pay to third parties in the event of transfer or assignment of the portfolio to a third party.

### 14 INDEMNIFICATION

The Borrower undertakes to indemnify and keep Bank and its officers/employees fully indemnified and harmless from and against all the consequences of breach of any of the terms, condition, statements, undertakings representations and warranties of this Agreement as also of any of its representations or warranties not being found to be true at any point of time, including any actions, suits, claims, proceedings, damages, liabilities, losses, expenses or costs (hereinafter referred to as "Claims") faced, suffered or incurred by the Bank. Borrower/s hereby accepts and acknowledges to have clearly agreed and understood that this indemnity would cover all acts and omission on the part of the Borrower whether by way of malafide intent or negligence. Further, in the event of any Claims being made on Bank by any regulator or investment authority or any third party, on account of any breach of warranty, representations, non-compliance of any applicable law, unauthorized act, fraud, deed or thing done or omitted to be done or on account of an undertaking made by Borrower or its employees, agents, being false, the Borrower undertakes to pay on first demand made by Bank of any amount on this account without any demur, reservation, contest, protest whatsoever within 7 working days of the demand being made.

### 15 APPROPRIATION OF PAYMENTS

Unless otherwise agreed to by the Bank/Bank, any payment due and payable under this Agreement and made by the Borrower will be appropriated towards such dues in the order, namely:

- a. Interest of the preceding EMI's ,
- b. Principal of the preceding EMI's,
- c. Interest of the current EMI's ,
- d. Principal of the current EMI's,
- e. Charges, costs, expenses, incidental charges and other moneys that may have been expended by Bank in connection with the loan.

### 16 SERVICE OF NOTICE

Any notice or request required or permitted to be given or made under this Agreement to Bank or to the Borrower shall be given in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or telegram to the party to which it is required or permitted to be given or made at such party's address specified below or at such other address as such party shall have designated by notice to the party giving such notice or making such request. To the Bank: At the address of the Bank mentioned in the Schedule I.

To the Borrower: At the residential address or the Property address described in Schedule I, as indicated by the Borrower.

## 17 JURISDICTION AND ARBITRATION

- 17.1 It is agreed that the courts/tribunals/authorities in the area where the agreement is executed, shall have exclusive jurisdiction.
- 17.2 Unless the same falls within the jurisdiction of the Debt Recovery Tribunal established under the Recovery of Debts Due To Banks and Financial Institutions Act, 1993 or any amendment or re-enactment thereof, any and all claims and disputes arising out of or in connection with this agreement or its performance shall be settled by Arbitration. Such Arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 or any amendment or re-enactment thereof by a single arbitrator to be appointed by the Bank. The venue of arbitration shall be Bengaluru, Karnataka, India or at any city in India, the Bank reserves its right for the same. Arbitration Proceeding shall be held and conducted in place at the sole discretion of the Bank and the arbitration shall be conducted in English language or vernacular language of the Karnataka or the state, where the Arbitration Proceeding conducted, as the case may be and the award of such arbitrator shall be final and binding upon the Parties hereto.
- 17.3 In the event that the claim or dispute does not fall within the jurisdiction of the Debt Recovery Tribunal established under the Recovery of Debts Due To Banks and Financial Institutions Act, 1993 or any amendment or re-enactment thereof, for the purpose of arbitration mentioned in above clause, subject to the provisions of any law for the time being in force in India, the courts in the state where the Agreement is executed shall have exclusive jurisdiction in relation to this Agreement, the Arbitration and all matter arising in connection herewith and therewith.

## 18. SEVERABILITY

The Articles of the Agreement and the clauses contained in each Article are severable and any illegality, invalidity or irregularity, inconsistency or repugnancy of any Article or any clause in Article shall not in any way affect the legality, validity or regularity of any other Article or clause of the Article.

## 19. GOVERNING LAW

- 19.1 This Agreement shall be governed by and construed in all respects with the Laws in India The Borrower agrees / confirms as follows:
- To keep alive the insurance policy/policies assigned in favour of Bank by paying on time the premium as they fall due and produce the receipts to Bank whenever required.
  - Bank shall have the right to receive and adjust any payment that it may receive in connection with any insurance policy/policies against the Loan and alter the amortization schedule as set out in Schedule II hereunder in any manner as it may deem fit notwithstanding anything to the contrary contained in this Agreement or any other document or paper.
  - That the terms and conditions and all the covenants and details of the Schedules hereunder shall be read and construed as part and parcel of these presents.
  - That the terms and conditions of this Agreement shall be binding on the legal representatives, heirs, executors, administrators, successors and assigns of the Borrower and the successors and assigns of the Bank.
- 19.2 The Borrower has read and understood this Agreement and in the event that the Borrower is illiterate and/or cannot read English language, the terms and conditions of this agreement have been read over, translated and explained in detail in the vernacular language to the Borrower.

**SCHEDULE I - DETAILS OF THE BORROWERS:**

Sl. No.	Particulars	Description/Details
1	Name of the Borrower	
2	Age:	
3	Borrower Residential Address	
4	Father's/Husband's Name	
5	Type of Business / Occupation	
6	PAN Number	

Sl. No.	Particulars	Description/Details
1	Name of the Co-Borrower 1	
2	Age:	
3	Residential Address of the Co-Borrower	
4	Father's/Husband's Name	

Sl. No.	Particulars	Description/Details
1	Name of the Co-Borrower 2	
2	Age:	
3	Residential Address of the Co-Borrower	
4	Father's/Husband's Name	

Sl. No.	Particulars	Description/Details
1	Name of the Co-Borrower 3	
2	Age:	
3	Residential Address of the Co-Borrower	
4	Father's/Husband's Name	

Sl. No.	Particulars	Description/Details
1	Name of the Co-Borrower 4	
2	Age:	
3	Residential Address of the Co-Borrower	
4	Father's/Husband's Name	

Sl. No.	Particulars	Description/Details
1	Name of the Co-Borrower 5	
2	Age:	
3	Residential Address of the Co-Borrower	
4	Father's/Husband's Name	

SCHEDULE II - DETAILS OF LOAN FACILITY:

Sl. No.	Particulars	Description/Details
1	Loan amount (in INR.)	
2	No. of tranches: Single/Multiple	
3	Address of the Branch Office	
4	Amount of Each Tranche	
5	Date of Disbursement of each Tranche	
6	Loan Agreement Place & Date	
7	Purpose of Loan	
8	Rate of Interest	% P A (Fixed)
9	Default/Penal Interest	3% per month on the default EMI for the delayed days with grace period of 4 days
10	Cheque/EMI Bounce Charges	INR 400 along with applicable taxes
Amortization of Loan		
11	Tenure of Loan	
12	No. of EMIs	
14	Amount of each EMI	
15	Amount of PEMI	
16	Date of Commencement of Monthly Instalment	
17	Due date of repayment of first EMI	
18	Mode of Repayment	Cash/ECS/Negotiable Instruments/NACH/Standing Instruction
19	Prepayment/ Foreclosure Charges	As mentioned in the Sanction letter
20	Part Payment Charges	As mentioned in the Sanction letter
21	Processing charges	As mentioned in the Sanction letter
22	Constitution (Branch Location)	

The Bank shall be entitled to revise the rate/charges/fees/terms as mentioned in SCHEDULE II at any time and/or from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the tenor of the Loan at its sole discretion. Such variation/revisions shall have a prospective effect. The Bank shall inform the Borrowers about the variation in due course by way of publishing it in any newspaper/branch notice board/ bank website or by sending as an intimation to the Borrowers.

**SCHEDULE III - DETAILS OF SECURITY/ASSET:**

S.No. 1		Description/Details	
SI.No.	Description of original title documents deposited as per the list of documents		Original/Certified
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			



2	Primary Security type	Mortgage against immovable property
3	Mortgage Security given	100%
4	Additional Security Documents and Guarantee	An irrevocable and unconditional guarantee executed in favour of the Bank. No guarantee commission shall be payable by the Borrower to the guarantors. PDCs and Demand Promissory Note.
5	Name of the property Owner	
6	Relation of Borrower with the mortgager (For Ex. Self, Wife, Husband, Father etc.)	

**THE DESCRIPTION OF THE IMMOVABLE PROPERTY OF MORTGAGE:**

ALL THOSE piece and parcels of immovable property bearing no.

PROPERTY SCHEDULE

On or towards the East :  
 On or towards the West :  
 On or towards the North :  
 On or towards the South :

**TOTAL LAND AND BUILDING MEASUREMENT .....**

Any typographical or inadvertent grammatical errors, punctuation may be construed in the perspective of the whole transaction/intention of the mortgage considering relevant executed documents in this regard. In Witness whereof the Mortgagor & Mortgagee have hereunto set and subscribed their hands the day and year here in above written:

Name of the Borrower:.....	Name of the Co-Borrower 1:.....
Signature	Signature
Name of the Co-Borrower 2:.....	Name of the Co-Borrower 3:.....
Signature	Signature
Name of the Co-Borrower 4:.....	Name of the Co-Borrower 5:.....
Signature	Signature

OR

For and on behalf of M/s \_\_\_\_\_,

Director/Authorized Signatory,  
Name \_\_\_\_\_,

Signature / Common Seal

The common seal of \_\_\_\_\_ )  
Was affixed hereunto pursuant to a resolution  
Passed by the board of Directors at their meeting held on \_\_\_\_\_ )  
The common seal is affixed in the presence of \_\_\_\_\_ )  
who has /have in token thereof \_\_\_\_\_ )  
Affixed his / her signature /signatures hereto.  
(Applicable where the Borrower is a Company)

OR

Through Authorised Partner(s)  
(Applicable where Borrower is a Partnership Firm / Limited Liability Partnership)

OR

Through its Proprietor,  
(Applicable where Borrower is a Proprietorship Firm)

Signed, sealed and delivered by the  
Within named Mortgagee Fincare Small Finance Bank Limited)  
Through its authorised representative,  
\_\_\_\_\_

**JOINT AND SEVERAL DEMAND PROMISSORY NOTE  
(For individuals)**

INR...../-

On Demand We

- 1).....,
- 2).....,
- 3).....,
- 4).....

Jointly and severally promise to pay Fincare Small Finance Bank Limited or order the sum of INR..... ( INR .....Only) for value received along with interest at the rate of .....percent or such other rate as the Bank may fix from time to time, in relation to the Bank's MCLR , compounding and payable for value received.

Place: .....

Date: .....

Cross signature on Rs 1 Revenue Stamp
--

Deliberately left blank

**DEMAND PROMISSORY NOTE**  
**(For non-individuals)**

INR:...../-

ON DEMAND, I/We..... , promise to pay Fincare Small Finance Bank Limited or order, the sum of INR...../- (INR ..... Only) together with interest from the date hereof, at..... percent or such other rate the Bank may fix from time to time, in relation to the Bank's MCLR , compounding and payable for value received.

IN WITNESS WHEREOF the common seal of .....has been hereunto affixed on the day and year first hereinabove mentioned pursuant to the Resolution of the Board of Directors dated..... in the presence of:

- 1.
- 2.

Place:  
Date:

Cross signature on Rs 1 Revenue Stamp
---

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**LETTER OF CONTINUITY FOR DEMAND PROMISSORY NOTE  
(For individuals )**

Date:  
Place:

To,

**Fincare Small Finance Bank Limited,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

Dear Sirs,

I/We \_\_\_\_\_ and \_\_\_\_\_ have executed a Demand Promissory Note for INR \_\_\_\_\_ dated \_\_\_\_\_ duly signed and delivered by me/us to you as security for the repayment by me/us to Fincare Small Finance Bank Limited of any sum now due or which may hereafter be or become due by me/us to Fincare Small Finance Bank Limited by way of loans or advances, notwithstanding the fact that the loans or advances or the account, may from time to time be reduced or extinguished or the balance in the said account brought to credit, the intention being that the said Demand Promissory Note and the security shall be a continuing security for any borrowing by us at any time to Fincare Small Finance Bank Limited.

Yours faithfully,

\_\_\_\_\_  
Sign by Borrower & Co-Borrowers

Deliberately left blank

**LETTER OF CONTINUITY FOR DEMAND PROMISSORY NOTE**  
**(For non-individuals)**

Date:  
Place:

To,

**Fincare Small Finance Bank Limited,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

Dear Sirs,

We, \_\_\_\_\_ a company incorporated under the provisions of the Companies Act, 1956/ 2013 / Partnership Firm within the meaning of the Partnership Act, 1932 / Limited Liability Partnership within the meaning of the Limited Liability Partnership Act, 2008/ Sole Proprietorship Firm /HUF / Trustee/ having its registered office / place of business at \_\_\_\_\_

\_\_\_\_\_ and acting (where applicable) through Mr. / Ms. \_\_\_\_\_ who is duly authorized in that behalf vide Board Resolution / resolution of members / Letter of Authority / Power of Attorney dated \_\_\_\_\_, acknowledge that pursuant to a facility Agreement dated \_\_\_\_\_ entered into between Fincare Small Finance Bank Limited and me / us (hereinafter referred to as the "Facility Agreement" which expression shall be deemed to include all amendments / restatements / supplements thereto, and novations thereof from time to time) enclose my/ our promissory note for INR. \_\_\_\_\_ /- (INR \_\_\_\_\_ Only) dated \_\_\_\_\_, payable on demand, which is given to Fincare Small Finance Bank Limited by me/us as and by way of security for the payment/repayment by me/us to Fincare Small Finance Bank Limited of any sum now due or payable or which may hereafter be or become due or payable by me/ us to Fincare Small Finance Bank Limited under/in terms of the facility Agreement together with the relevant Schedules thereto notwithstanding the fact that the facility may from time to time be reduced or extinguished or cancelled or the balance in my/our current account with Fincare Small Finance Bank Limited is brought to nil or into credit, the intention being that the security shall be a continuing security at all times for the facility availed of by me/us from Fincare Small Finance Bank Limited together with interest thereon and Default Interest, costs, charges, expenses and other amounts payable by me/us to Fincare Small Finance Bank Limited.

I/We hereby confirm, agree and acknowledge that where there is more than one signatory hereto or under the Demand Promissory Note, my/ our liability under the same is joint and several along with the other co-obligants whether as co-borrower, surety or otherwise.

All capitalised terms used herein and not defined herein but defined in the Facility Agreement shall have the same meaning as assigned to them in the Facility Agreement.

For and on behalf of M/s \_\_\_\_\_,

Director/Authorized Signatory,  
Name \_\_\_\_\_,

Signature / Common Seal

The common seal of \_\_\_\_\_ )  
Was affixed hereunto pursuant to a resolution  
Passed by the board of Directors at their meeting held on \_\_\_\_\_ )  
The common seal is affixed in the presence of \_\_\_\_\_ )  
who has /have in token thereof \_\_\_\_\_ )  
Affixed his / her signature /signatures hereto.  
(Applicable where the Borrower is a Company)

OR

Through Authorised Partner(s)  
(Applicable where Borrower is a Partnership Firm / Limited Liability Partnership)

OR

Through its Proprietor,  
(Applicable where Borrower is a Proprietorship Firm)

Deliberately left blank

**END USE LETTER**

Date:  
Place:

To,  
**Fincare Small Finance Bank Limited,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

Dear Sir,

I/We \_\_\_\_\_ and \_\_\_\_\_ refer to the Application / file no. \_\_\_\_\_ dated \_\_\_\_\_ submitted to Fincare Small Finance Bank Limited for availing of a Loan Facility from Fincare Small Finance Bank Limited.

The said Facility is for the purpose of:

\_\_\_\_\_

I hereby represent, warrant and confirm that the aforesaid purpose is a valid purpose and also agree and undertake to utilize the loan only for the above mentioned purpose and that the loan shall not be used for any illegal and/or antisocial and/or speculative purposes including but not limited to participation in stock markets/IPOs.

I further agree, confirm and undertake that the purpose of use of funds under the facility shall not be changed in any manner during the tenor of the facility or that such change in purpose shall take place only with the prior written permission of Fincare Small Finance Bank.

I hereby agree and confirm that the Income Tax benefits for a housing loan under the provisions of Income Tax Act, 1961 will not be available to me in respect of the facility for the additional purpose(s).

I agree that any breach or default in complying with all or any of the aforesaid undertaking(s) will constitute an event of default under the Facility Agreement.

Thanking you.

Yours Sincerely,

Borrower

Co-borrower/s

Deliberately left blank

**DISBURSEMENT REQUEST FORM**

To,

Date:

Place:

**Fincare Small Finance Bank Limited,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

**Sir**

We, being the Borrowers from Fincare Small Finance Bank Limited and resident/s of the above mentioned address hereby unconditionally request you to release or do fund transfer or credit the net loan amount of INR. \_\_\_\_\_/- after all deductions from the sanctioned loan amount of INR. \_\_\_\_\_/- in favour of the subject Bank Account Number as we have agreed by executing the Transaction Documents in this regard.

**Bank Name:** \_\_\_\_\_

**Bank A/c No:** \_\_\_\_\_

**Name of the A/c holder:** \_\_\_\_\_

**IFSC Code:** \_\_\_\_\_

This is to state that I/we have applied and executed the loan documents including creation of mortgage against the Property for availing Loan against property facility from Fincare Small Finance Bank Limited as specified in the loan application with the terms and conditions as stipulated thereon.

This is to request your authority that the subject Bank Account holder is one of the executants of this loan transaction on the capacity of \_\_\_\_\_ and he/she is duly authorised to collect the said disbursed loan amount. Further, we are jointly and severally liable for loan repayment as per the terms of the loan agreements and mortgage.

Further, we, being the loan borrowers, hereby jointly and severally undertake that the said disbursed loan amount post credit to the subject Bank account shall cause complete liability on us against misuse of loan amount or loss in transit for any reasons. The Bank, Fincare Small Finance Bank Limited shall not be held liable for any such loss of money as mentioned above once the disbursed loan amount is credited to the subject Bank account number. We shall take utmost care and caution to utilise the loan amount for specific purpose as mentioned in loan agreements and we are liable to repay the loan amount to the Bank as per the terms of the executed loan documents.

Thanking you

Signature of Borrower/s.

OR

For and on behalf of M/s \_\_\_\_\_,

Director/Authorized Signatory,  
Name \_\_\_\_\_,

OR

Through Authorised Partner(s)  
(Applicable where Borrower is a Partnership Firm / Limited Liability Partnership)

OR

Through its Proprietor,  
(Applicable where Borrower is a Proprietorship Firm)

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**CUSTOMER UNDERTAKING LETTER**

To,

Date:  
Place:

**Fincare Small Finance Bank Ltd,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

From

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

**Sub: - Undertaking for furnishing the pending documents.**

I,Mr/Mrs. \_\_\_\_\_ S/o/W/o \_\_\_\_\_ (borrower name) residing at \_\_\_\_\_  
\_\_\_\_\_, here by submit that, I have applied for credit facility against property to your Bank and Bank have granted the credit facility on certain terms and conditions mentioned therein in the loan documentations for the tune of INR \_\_\_\_\_ ( Rupees \_\_\_\_\_ Only).

With respect to the loan there are some pending documents to be submitted by me. Here by I undertake to submit the below mentioned pending documents with in fifteen days to the Bank,

SL NO	Description of the documents
1	
2	
3	
4	
5	
6	
7	
8	
9	

Further am aware and agreed that, in case of failure to submit the documents with in the stipulated time as mentioned above, the loan granted will automatically get cancelled and undertaking to bear the cost, charges, interest etc for the period as decided by the Bank and further it is agreed and accepted by me that, am liable to bear the interest on the loan amount between the loan disbursement date as per the Bank records and actual disbursement date, due to delay in submitting the pending documents from my side.

Thanking you,

Yours faithfully.

( \_\_\_\_\_ )

Deliberately left blank

**LETTER OF GENERAL LIEN AND SET-OFF**

To,

**Fincare Small Finance Bank Limited,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

LETTER OF GENERAL LIEN AND SET-OFF IN RESPECT OF DEPOSITS/CREDIT BALANCES/MARGIN PAYMENTS In consideration of your granting or continuing to make available credit or banking facilities or other accommodation, for so long as you may think fit, to \_\_\_\_\_

(name of the borrower/s) (hereinafter referred to as the "Borrower") and/or, at the request of the undersigned, to any other person, firm, corporation or customer of any kind, the undersigned hereby agrees and undertakes that:-

1. You may, at any time and without notice to the undersigned, combine or consolidate all or any of the then existing accounts of the undersigned (of whatsoever nature and whether or not subject to notice) and set off or transfer any sums standing to the credit of any one or more such accounts in or towards satisfaction of any of the liabilities of the undersigned to you on any other account or in any other respect, whether as principal, or surety or otherwise including liabilities under facilities or accommodation for an unexpired fixed term or in respect of foreign exchange dealings or under guarantees or indemnities or other instruments whatsoever given or assumed by you at the request of the undersigned, whether such liabilities be present or future, actual or contingent, primary or collateral and several or joint. Where any such combination, consolidation, set off or transfer needs the conversion of one currency into another, such conversion shall be calculated at the spot rate of exchange (as conclusive determined by you) for telegraphic transfers between the currencies at the time of the combination, consolidation, set off or transfer.

2. Where any monies may from time to time be deposited with you by the undersigned, or are otherwise held by you, especially for the purpose of providing you with cash cover/cash margin in respect of the payment, discharge or satisfaction of any monies, obligations or liabilities of the undersigned to you, the undersigned:- (a) shall not and shall not be entitled to withdraw any such monies (and so that you shall have no obligation to release or repay any such monies) and shall not do or omit to do any act or thing which may in any way delay or prejudice your right to retain such monies or apply all or any part of such monies in or towards such payment, discharge or satisfaction; (b) shall not mortgage, charge, pledge or otherwise encumber or assign, transfer or otherwise deal with or grant or suffer to arise any third party rights over or against the whole or any part of such monies or purport to do so, except in your favour.

3. You are authorised, in your absolute discretion, at any time and from time to time to notify any other creditors of the undersigned of the terms of the agreements and undertakings set out herein;

4. Nothing herein shall restrict the operation of any general lien, set-off or other rights or remedies available to you, whether by law or otherwise, and this letter of general lien & set-off is in addition and without prejudice to any lien, guarantee, mortgage or security now or hereafter held by you;

5. This letter of set-off is governed by and shall be construed in accordance with the laws of India and the undersigned hereby irrevocably submits to the jurisdiction of the Bangalore Courts, but it shall be open to you to enforce the terms hereof in the Courts of any other competent jurisdiction. The undersigned undertakes, on your request, to nominate an agent with an address in India to accept service of any legal process in India on behalf of the undersigned and such agent shall acknowledge in writing to you its appointment as such agent and service of legal process on such agent shall be deemed to constitute service on the undersigned.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ at \_\_\_\_\_. Signed by

Signature of Borrower/s.

OR

For and on behalf of M/s \_\_\_\_\_,

Director/Authorized Signatory,

Name \_\_\_\_\_,

OR

Through Authorised Partner(s)

(Applicable where Borrower is a Partnership Firm / Limited Liability Partnership)

OR

Through its Proprietor,

(Applicable where Borrower is a Proprietorship Firm)

Deliberately left blank

**PDC COVERING LETTER**

Date:  
Place:

To,

**Fincare Small Finance Bank Limited,**  
835/39, Bren Mercury, 5th Floor,  
Kaikondanalli Varthur Hobli ,Bangalore East Taluk,  
Bangalore – 560102, Karnataka.

Dear Sir,

Ref: Facility Agreement dated..... Executed by me/us in favour of the Bank

Please find enclosed crossed Post-dated cheques / Security cheques drawn in favour of Fincare Small Finance Bank Limited bearing the following particulars being submitted towards repayment of the loan availed from your Bank. The post-dated cheques / security cheques contain my/ authorized signatories' genuine signature, which shall not be disputed by me.

- 1. Name of the Drawee bank: \_\_\_\_\_
- 2. Name of the Drawee Bank Branch: .....
- 3. Cheque Numbers.....

I/We agree that the Post dated cheques / Security cheques are given towards loan repayment/ instalments of the debt due and payable by me/us to the Bank in terms of the Loan Agreement.  
In case of change of authorised signatory of the Borrower, we undertake to replace the cheques appropriately and in the event of non-replacement of the cheques before the due dates, we undertake to honour the Post Dated Cheques/ Security cheques.

Signature of Borrower/s.

OR  
For and on behalf of M/s \_\_\_\_\_,

Director/Authorized Signatory,  
Name \_\_\_\_\_ ,

OR  
Through Authorised Partner(s)  
(Applicable where Borrower is a Partnership Firm / Limited Liability Partnership)

OR  
Through its Proprietor,  
(Applicable where Borrower is a Proprietorship Firm)

Deliberately left blank