

TERMS AND CONDITIONS (T&C)

I. This Terms and conditions covers all Retail Loan Products:

Loans may be availed of by Indian citizens, NRIs, PIOs, HUFs, companies incorporated in India, sole proprietorships (the proprietor being an Indian citizen), societies duly registered in India, trusts duly formed/constituted in India, partnership firms where all partners are Indian citizens, and limited liability partnerships incorporated in India.

II. Interest

The Borrower(s) will be required to pay interest on the Loan as stipulated in the Loan Agreement that will be executed by and between the Borrower(s) and the Lender. Interest accrues and is calculated on a daily basis on the total outstanding balance on that day, and is compounded and will be payable monthly, as on the due dates set in the Payment Schedule provided by the Lender. Interest in the normal course will form a part of the Equated Monthly Installments (EMIs) or Pre-EMIs payable by the Borrower(s). Default Interest, additional interest and interest on interest (as payable in accordance with the terms of the Loan Agreement) will be required to be paid by the Borrower additionally, that is to say, the same would not be covered as part of the EMIs or Pre-EMIs.

III. Rate of Interest/Type of Interest and change in Rate of Interest

The Rate of Interest is the rate at which the Lender will compute and apply interest on the Loan.

Rate of Interest may be of 2 types: Fixed Rate of Interest, Floating Rate of Interest, Switch from one type of Rate of Interest to another may be permitted by the Lender, at its sole discretion, subject to such terms and conditions as the Lender may deem fit, including but not limited to payment of such fees/charges by the Borrower as the Lender may specify. The Floating Rate of Interest is linked to the RBI Policy Repo Rate which is subject to change from time to time. Any change in the RBI Policy Repo Rate will result in a change in the Rate of Interest applicable to the Loan. Any such change will be notified to the Borrower and will apply from the date of such change..

IV. Fees and Charges Applicable

All fees and charges applicable to the Borrower(s) may be found in the Schedule of Charges attached to the Loan Application Form and/or on the official website of the Lender.

Please note that the applicable fees and charges may change from time to time. Such changes will be updated on the official website of the Lender from time to time.

The Borrower shall indemnify, save, defend and hold harmless the Lender and its officers, directors, employees, from and against all, direct and indirect, claims, damages, losses, costs and expenses, including attorneys' fees arising out of any action, omission, breach or default by the Borrower and/or its employees or agents under or in the course of performing the Loan Agreement and/or otherwise incurred by the Lender as a result of granting the Loan to the Borrower or in the course of performance of its obligations under the Loan Agreement.

V. Default Interest

In the event of payment defaults, the Borrower shall pay to the Lender interest on any overdue amounts i.e. any amounts, in relation to which payment has not been made on the relevant Due Date, and in case of the occurrence of any other Event(s) of Default (not for non-payment), the Borrower agrees to pay to the Lender interest on the total Outstanding Balance, at the rate mentioned specified in the Loan Agreement/Schedule of Charges over and above the applicable Interest Rate. Default interest shall be calculated daily based on the actual number of days in the year. Without prejudice to the foregoing, and for clarity, if the Lender recalls the Loan or any part thereof, the Borrower shall have to pay Default Interest on all outstanding principal, interest and other money(s) due and owing to the Lender from the date of recall until the date of full payment to the Lender.

VI. Conditions for Disbursement

The Lender may disburse the Loan (or any part thereof), at its discretion, subject to fulfilment of certain conditions precedent as more particularly mentioned in the Loan Agreement, a few of which are stated below. The full list of conditions precedent and subsequent are stated in Clauses 3.2 and 3.3 of the Loan Agreement and must be carefully read by the Borrower(s). - The Borrower must fulfill the Bank's requirement of creditworthiness

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- The Borrower(s) must have executed all necessary security documents in favour of the Lender, and deposited with the Lender original title deeds to the Property.
- In case of a Housing Loan, the Borrower must pay the entire margin amount (i.e. the difference between the purchase price and the sanctioned loan amount) before disbursement of the Loan or any part thereof.
- No 'Events of Default' (as fully described under Clause 11 of the Loan Agreement) should have happened, which includes but is not limited to giving of misleading information to the Lender, the Borrower being declared insolvent, a depreciation in the value of the secured property, and default in duly performing obligation under any other loan or facility availed of from the Lender by the Borrower.
- The Borrower shall have furnished to/procured for the Lender all necessary documents, undertakings, indemnities, declarations etc. and done/procured to be done all necessary acts, deeds, etc. as may be required by the Lender.

VII. Loan Drawdown / Disbursement

The Loan (or any part thereof) may be disbursed by the Lender upon receiving a drawdown request from the Borrower. The entire Loan Amount should be availed of within the Availability Period specified by the Lender. The loan sanction may be kept open at the sole discretion of ESAF SFB Lender for an additional period of such number of days beyond the Availability Period as the Lender may at its sole discretion deem fit. The Lender may, at any time, at its sole discretion, recall the Loan (in whole or part).

The mode and manner of disbursement is left to the sole discretion of the Lender. The disbursement of the Loan or any part thereof by the Lender may be made to the Borrower, or directly to the developer/builder/construction company /contractor/seller of the Property, where applicable or any other concerned Person, as the Lender may in its sole discretion deem fit. In case the Loan being availed of by the Borrower is in replacement/switchover of a housing loan earlier availed of by the Borrower from another bank/financial institution, the disbursement of the Loan Amount or any part thereof by the Lender may be made to the Borrower, or directly to such other bank/financial institution, as the Lender may in its sole discretion deem fit.

VIII. Repayment

The Borrower will repay the principal/Loan together with the interest calculated on the reducing principal balance by way of Equated Monthly Installments or EMIs, if not demanded earlier by the Lender in accordance with the terms of the Loan Agreement, as stipulated in the Repayment Schedule Agreement or as may otherwise be communicated by the Lender to the Borrower from time to time. Provided that the Lender shall be entitled to re-compute and/or modify the amounts constituting the EMI(s) and the dates for payment thereof by the Borrower on the occurrence of any event which in the opinion of the Lender necessitates a re-computation/ modification of the same. In the event of any such modification, the Borrower hereby agrees and undertakes to issue fresh Payment Instruments as the Lender may require. Strict compliance with the Repayment Schedule as communicated by the Lender from time to time is an essential condition for the grant of the Loan.

Without prejudice to the general right available to the Lender to vary or amend the Repayment Schedule, from time to time, the Lender shall be entitled to amend the Repayment Schedule (including without limitation varying the amount of each PEMI (as applicable) or EMI), in case of:

- (a) any change occurring in the Interest Rate applicable to the Loan as per the provisions of the Loan Agreement, to reflect the change in the Interest Rate; and/or
- (b) Disbursement of the Loan Amount in tranches/parts, each time a tranche is disbursed under the Loan.

Consequent to any change in the Floating Interest Rate, the Lender may at its sole discretion, decide not to change the EMI amount, in which event, in case there is an increase in the Floating Interest Rate, the interest component in an EMI will increase and the principal component will reduce resulting in an extension of the term of the Loan and vice versa when the Floating Interest Rate decreases. In the event of any increase in the Floating Interest Rate, and consequential increase in the EMIs/ PEMIs which are required to be paid by the Borrower, the Borrower shall be required to pay such increased EMI/ PEMI amount and/or the resultant differential amount as determined by the Lender in its sole discretion and intimated to the Borrower. The Lender, at its sole discretion but without being bound to do so, may at the request of the Borrower and on payment of a Repricing Fee by the Borrower permit the Borrower to change the applicable Interest Rate, with effect from a prospective date acceptable to the Lender. The Repricing Fee shall be determined by the Lender, from time to time, at its sole discretion. Such Repricing Fee shall be intimated by the Lender every time the Borrower makes a request for change in the applicable Interest Rate.

The Borrower is required to make payment of the EMIs through Standing Instructions from their account held with the Lender, or through the Electronic Clearing System (Debit) by setting up a mandate for such payments, through the National automated Clearing House (NACH) system by setting up mandates for such payments or by providing the Lender with sets of Post-Dated or Undated Cheques or by such other modes as may be acceptable to the Lender. Such instructions /mandates/cheques must be executed and delivered to the Lender at such time(s) as may be stipulated by the Lender.

The Borrower shall ensure that the payment instructions/mandate/cheque is honoured and therefore must ensure that: -

Sufficient funds are available in the designated account to be debited;

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- No cancel / stop payment have been put on the cheques/payment instruments given towards repayment;
- The Standing Instructions/ECS/NACH Mandate(s) is/are not varied or cancelled without the prior written consent of the Lender; and
- The designated account to be debited is neither closed not changed without the prior written consent of the Lender;

Failure to ensure the above, resulting in dishonour of the SI/ECS/NACH mandate/cheque will be treated as an Event of Default in terms of the Loan Agreement and trigger the consequences set out therein for the same. Without prejudice to the same, such dishonour may also result in exercise by the Lender of criminal remedies as may be available under law.

IX. Prepayment and Foreclosure

The Borrower(s) may prepay/foreclose the Loan by giving prior notice in writing to the Lender. Such prepayment /foreclosure shall be subject to the prepayment/foreclosure rules of the Lender, as may be applicable from time to time and the terms of the Loan Agreement. If prepayment/foreclosure is made by cheque, the prepayment/foreclosure by the Borrower takes effect/would be deemed to have been made only when the cheque is cleared and the account of the Lender is credited.

Prepayment/Foreclosure charges if any will be applicable to such prepayment/foreclosure in accordance with the Schedule of Charges. However, no prepayment/foreclosure charges will be charged on loans where the interest rate is floating, or loans where the interest rate is hybrid and foreclosure is made after the fixed period (during which the fixed interest rate applies), where after the floating interest rate becomes applicable,.

X. Security

The Loan Amount, together with interest, charges, costs, default interest, additional interest, further interest, expenses and other obligations of the Borrower under the Loan Agreement and other financing documents will be secured by the following:

- a. A first and exclusive mortgage (in the form and manner acceptable to the Lender) over the Property being purchased with the Loan in case of Housing Loans, or over any other immovable (residential) Property in case of a LAP. The Lender shall have the right to decide, in its sole discretion, the form, manner, type and the timing of creation of mortgage or any other security;
- b. Giving of a guarantee by a guarantor (either corporate or personal), wherever applicable.
- c. Demand promissory note(s);
- d. Any additional security (in the form and manner acceptable to the Lender) as required by the Lender.

XI. Insurance

The Borrower shall, at its sole cost and risk, insure and keep insured the Property against all insurable risks, for such amounts and such periods as may be required by the Lender, with an insurance company acceptable to the Lender. The Lender shall be made/named as the sole beneficiary/loss payee under the policy and shall produce evidence thereof to the Lender. In the event of the Borrower failing to insure the Property to the satisfaction of the Lender, the Lender shall be entitled to cause the Property to be insured with an insurance company for all risks that the Lender may, in its sole discretion, deem fit and to debit the insurance charges to the Loan Account of the Borrower.

XII. Event(s) of Default

Event(s) of Default in terms of the Loan Agreement include inter alia the following:

- (a) any default in payment of the Secured Obligations (or any part thereof) on the respective Due Dates.
- (b) Use of the Loan Amount, or any part thereof, for any purpose other than the Purpose (as set out in the Loan Agreement).
- (c) Any of the representations, warranties, declarations or statements made by the Borrower, whether under the Loan Agreement, Security Documents, or any other agreements/documents executed pursuant thereto and/or in the Application Form or any other information given by the Borrower being found to be incorrect, false or inaccurate at the time when they are made or deemed to be made.
- (d) Any breach or default by the Borrower, in performance or observance of any covenant, obligation, term, condition or undertaking imposed upon or undertaken the Borrower under the Loan Agreement, any of the Security Documents and/or any other agreements entered into pursuant thereto.
- (e) If, in the opinion of the Lender, there is any deterioration or impairment of the Secured Assets, or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated); and/or
- (f) Any event or circumstance which in the opinion of the Lender is likely to adversely affect the ability of the Borrower to repay the Loan and other Secured Obligations in full to the Lender or perform any obligation under the Loan Agreement, the Security Documents or any related document/agreement.

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On the occurrence of any Event of Default as mentioned in the Loan Agreement or any other financing document, the outstanding principal amount plus the outstanding interest amount plus any other charges, default interest, fees etc. shall forthwith become due and payable, and the Lender shall be entitled to take such steps as mentioned in the Loan Agreement or any other financing document, including but not limited to enforcement of security to recover such dues.

XIII. Cross Default and Cross Collateralization

If the Borrower(s) defaults on any other credit/ facility agreement or arrangement with ESAF SF Bank and/or its successors-in-interest or with any of the affiliates or ESAF SF Group companies (collectively "ESAF SF Group"), the same shall be deemed to be an Event of Default in terms of the Loan Agreement and the consequences thereof as set out in the Loan Agreement and other financing documents will follow.

XIV. Reporting

As per the relevant Reserve Bank of India guidelines, the Lender will provide credit information relating to any Borrower who has availed of a Loan, to the Credit Information Company or any other licensed bureau on a monthly/periodic basis.

The Borrower(s) should ensure that timely payment of all amounts due/payable in respect of the Loan are duly paid on time to inter alia avoid any adverse credit history with Credit Information Company.

XV. Borrowers and Co-Borrowers

Where the Loan is provided to more than one Borrower, the liability of the Borrower and all Co-Borrowers to repay the Loan together with all interest, and any / all other charges, fees, default interest, additional interest, further interest and other monies due/payable, and to observe the terms and conditions of the Loan Agreement, Security Documents, and any other relevant documents in relation to the Loan, shall at all times be joint and several.

XVI. Change in Address or Other Details

The Borrower must notify the Lender regarding any change in residential address or any other information supplied to the Lender in relation to the Loan. The Lender must be immediately intimated of such changes.

XVII. Customer service

For any service related issue, customers can get in touch with the Lender by:

- (i) Calling Customer Care numbers provided on our official website.
- (ii) Visiting a ESAF SF Bank branch.

XVIII. Customer Grievance Redressal Procedure

If there are instances where the customer is not satisfied with the services provided by the Lender, to highlight such instances and/or register a complaint, the customer may refer to the grievance redressal policy displayed on our official website.

XIX. Disclaimer

The terms and conditions set out herein are only an abridged form of the terms and conditions applicable to the Loan availed/proposed to be availed of by the Borrower from the Lender and do not contain the full provisions of the Loan Agreement.

The detailed and full terms and conditions are mentioned in the Loan Agreement, a standard format whereof has been handed over to the Borrower for his perusal, understanding and ready reference.

The Borrower must read the Loan Agreement in its entirety and carefully understand its contents before signing the same, which will in any event be final and binding on the Borrower and will prevail in case of any discrepancy/inconsistency between the terms of the T&C and those of the Loan Agreement. The Borrower shall, if required, seek legal advice from his/her/their/its lawyers to ensure that the Borrower has understood the contents hereof and of the Loan Agreement, and his/her/their/its obligations hereunder and thereunder and the full consequences of signing the same.