



**TERMS AND CONDITIONS GOVERNING THE LOAN AGREEMENT  
(Micro Mortgage Loan)**

These **TERMS AND CONDITIONS** (hereinafter referred to as “**Terms and Conditions**”) shall be applicable to Micro Mortgage Loan extended/to be extended by **UJJIVAN SMALL FINANCE BANK LIMITED**, a company incorporated under the provisions of the Companies Act, 2013 (CIN: L65110KA2016PLC142162) and a Banking Company within the meaning of Banking Regulation Act, 1949, with its Head Office and Registered Office at Grape Garden, No: 27, 3<sup>rd</sup> "A" Cross, 18<sup>th</sup> Main, 6<sup>th</sup> Block, Koramangala, Bengaluru, Karnataka - 560095 (hereinafter referred to as “**Bank**” or “**Lender**” or “**USFB**” or “**Ujjivan SFB**”, which expression shall include their respective heirs, representatives, successors, executors, administrators and assigns), to the Borrower (as defined herein, which term shall, unless repugnant to the context, be deemed to include the Co-Borrower(s), if any, as detailed in the Facility Documents and each of his/her/their legal representatives, executors, administrators, successors, and permitted assigns, as applicable).

**1. DEFINITIONS:**

- 1.1. “**Agreement**” or “**Loan Agreement**” means and includes (i) the loan agreement executed/ to be executed between the Borrower and the Bank in relation to the Loan, (ii) terms and conditions contained herein, (iii) Power of Attorney, and (iv) various undertakings and forms, including any and all schedules/annexures/attachment(s) annexed thereto after execution between the Parties. Agreement shall also include application, supplementary agreement(s), modifications, alterations, addendums, attachments and schedules subsequently executed during the tenure of the Agreement.
- 1.2. “**Additional Interest**” means and includes the interest that is levied by Bank at the rate specified in the Facility Documents upon occurrence of any Event of Default mentioned hereunder, from the date of occurrence of the Event of Default until remedy of the same. Additional Interest shall be in addition to the applicable Interest (as defined herein).
- 1.2. “**Applicable Law**” means any statute, law, regulation, ordinance, rule, judgement, order, decree, ruling, bye-law, approval of any Competent Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Competent Authority having jurisdiction over the matter in question, whether in effect as of the date of Facility Documents or at any time thereafter.
- 1.3. “**Application Form**”, as the context may permit or require, means the credit facility application letter submitted by the Borrower for availing of the Loan, together with all other information, particulars, clarifications, letters, undertakings and declarations, if any, furnished by the Borrower or any other person(s) from time to time in connection with the Loan as required by Bank.
- 1.4. “**Availability Period**” means the period stipulated by the Bank, during which the Borrower shall be allowed to make drawdown under the Loan.
- 1.5. “**Bank**” or “**Lender**” or “**USFB**” or “**Ujjivan SFB**” shall mean Ujjivan Small Finance Bank Limited, a company incorporated under the provisions of the Companies Act, 2013 (CIN: L65110KA2016PLC142162) and a Banking Company within the meaning of Banking Regulation Act, 1949, with its Registered Office and Head Office at Grape Garden, No: 27, 3<sup>rd</sup> "A" Cross, 18<sup>th</sup> Main, 6<sup>th</sup> Block, Koramangala, Bengaluru, Karnataka – 560 095.
- 1.6. “**Borrower**” means such person to whom Bank has agreed to grant the Loan and who has availed the Loan, and shall, unless repugnant to the context, be deemed to include the Co-Borrower(s).
- 1.7. “**Business Day**” means a day (other than Public Holiday) on which Bank and banks are open for business in the location from where the Loan is sanctioned.
- 1.8. “**Business Unit**” shall mean a shop duly registered (GST/VAT/CST Registration/ Shops & Establishment Registration/ MSME Registration/ Income Tax PAN/ Any other statutory or government registration) or a house owned by the Borrower.
- 1.9. “**CERSAI**” means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
- 1.10. “**CIBIL**” shall mean TransUnion CIBIL Limited, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns.
- 1.11. “**Co-Borrower**” means and includes the person who along with the Borrower shall be jointly and severally liable for repayment of the Loan amount and his/her/their obligation in relation to the said amount shall be concurrent with that of the Borrower in all respects as if he/she/they himself/herself/themselves was/were the Borrower and accordingly, the Co-Borrower shall regularly and punctually pay to Bank the instalments as well as other dues payable under the Loan himself/herself/themselves in the event of default by the Borrower.
- 1.12. “**Competent Authority**” shall mean the Government of India (“**Gol**”), the Reserve Bank of India (“**RBI**”) or the government of any other state of India or any ministry, department, local authority, statutory or regulatory authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity or commission under the direct or indirect control of the Gol or RBI or the government of any other state of India or any political subdivision of any of them or owned or controlled by the Gol or the RBI or the government of any other state of India or any of their subdivisions, or any court, tribunal or judicial body within India or any legislative,



judicial or executive authority, department, ministry of public or statutory Person whether autonomous or not, of the Gol or the RBI.

- 1.13. **“Credit Information Company”** means a company which has been granted a certificate of registration by RBI under Section 5 (2) of the Credit Information Companies (Regulation) Act, 2005.
- 1.14. **“Credit Rating Agencies”** means the domestic credit rating agencies such as CARE, CRISIL, ICRA and FITCH and international credit rating agencies such as Moodys and Standard & Poor’s and such other credit rating agencies identified and/or recognized by the RBI from time to time and acceptable to Bank.
- 1.15. **“Due Date”** means the date(s) on which any amount(s) in respect of the Loan including the Interest and/or any other monies, fall due.
- 1.16. **“Effective Date”** means, unless specified otherwise, the date on which the Loan amount is disbursed by Bank to the Borrower.
- 1.17. **“Electronic Clearing System”**, or **“ECS”** or **“ACH”**, shall be deemed to include transfer of funds electronically either through a message for transfer of funds sent electronically or through an image of an 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 the RBI, participation in which has been consented to in writing by the Borrower for facilitating payment of EMIs.
- 1.18. **“Equated Monthly Instalments”** or **“EMI”** means and includes the amount of each periodical payment required to be paid to Bank, on monthly intervals in terms of the Agreement, to amortise the Loan with Interest over the tenure of the Loan.
- 1.19. **“External Benchmark Lending Rate”** or **“EBLR”** in relation to rate of Interest means the market determined reference rate used by Bank in conformity with the guidelines of RBI to determine the interest rates on loans, which is subject to review by Bank periodically. The prevailing EBLR is as mentioned on the Website.
- 1.20. **“Facility Documents”** includes Application Form, sanction letter (if any), these Terms & Conditions, the Agreement, and all other agreements, instruments, undertakings, indentures, deeds, writings and other documents executed or entered into, or to be executed or entered into, by the Obligors with Bank and/or any other person, in relation, or pertaining, to the Loan and the transactions contemplated under the Facility Documents, and includes all modifications and amendments thereto.
- 1.21. **“Fixed Rate of Interest”** means the fixed rate of interest applicable on the Loan, which is subject to review by Bank.
- 1.22. **“Floating Rate of Interest”** shall mean the sum of the MCLR or EBLR (taken into account by Bank for benchmarking the Interest in relation to the Facility) (as the case be) plus Spread, as may be decided by Bank from time to time, pursuant to the Agreement.
- 1.23. **“IBC”** shall mean the Insolvency and Bankruptcy Code, 2016, along with all rules and regulations thereunder, as amended/supplemented/modified from time to time.
- 1.24. **“Instalment”** means PEMII or EMI as may be applicable in relation to the Loan.
- 1.25. **“Interest”** shall have the meaning assigned to the term in Clause: 4 of the Loan Agreement.
- 1.26. **“Late Payment Charges”** means the amount which may be levied by Bank on account of non-payment of the amounts payable by the Borrower on Due Date, in relation to the Loan as per the terms contained in the Facility Documents.
- 1.27. **“Loan”** means the credit facility(ies) availed/to be availed by the Borrower from Bank, from time to time, and as more particularly set out in the Agreement, pursuant to the Effective Date, and any rescheduled loans of the Borrower, and includes all Interest related to the Loan. It is clarified that the Loan specifically excludes all other loan/s, whether prior or concurrent, taken by the Borrower, including but not limited to loans with group guarantees taken by the Borrower from Bank.
- 1.28. **“Loan Amount”** shall mean an amount Loan as may be availed by the Borrower as per the terms and conditions of the Facility Documents.
- 1.29. **“Login Fee”** shall mean non-refundable amount payable to Bank by the Borrower while applying for the Loan.
- 1.30. **“MCLR”** means the marginal cost of fund-based lending rate of Bank as may be determined and published by Bank from time to time. The prevailing MCLR is as mentioned on the Website.
- 1.31. **“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 in relation to the Loan; or (b) prejudicial to the financial condition of the Borrower, in the opinion of Bank.
- 1.32. **“Micro Enterprises”**, **“Small Enterprises”** and **“Medium Enterprises”** shall have the respective meanings assigned to them under the Micro, Small and Medium Enterprises Development Act, 2006, or any amendments thereof.
- 1.33. **“Obligors”** shall mean the Borrower, Co-Borrower(s) and any other person providing security and/or guarantee and/or indemnity in favour of the Bank in relation to the Loan.



- 1.34. **“Outstandings”** shall include, at any time, all amounts payable by the Obligors to Bank pursuant to the Facility Documents including but not limited to the present and future obligations and liabilities of the Obligors to pay/ repay without limitation the principal amount of the Loan, Interest and additional interest thereon and all stamp duties, Taxes, expenses, fees, liquidated damages, indemnities, costs, charges and expenses including without limitation any statutory or legislative charges, penalties, if any, in connection with the Loan; and such other expenses incurred in relation to any exercise by Bank of its right, together with legal fees and court costs.
- 1.35. **“Permitted End-Use”**  
in relation to Loan shall mean and include the Loan availed for the following purposes: -  
i) construction of multi-dwelling units;  
ii) renovation of existing property;  
iii) expansion of business;  
iv) consumption loan;  
v) debt consolidation;  
vi) mixed usage for business expansion, home renovation or consumption purpose.
- 1.42 **“Pre-closure”** means repayment of the entire dues under the Loan before the completion of the tenure stipulated in the Agreement in accordance with the terms and conditions laid down by Bank.
- 1.43 **“Pre Equated Monthly Installment Interest”** or **“PEMII”** means and includes the amount of interest payable at the rate as determined in the Agreement on the Loan from the date of disbursement of the Loan to the date immediately prior to the date of commencement of EMI.
- 1.44 **“Processing Fee”** shall mean and include at the discretion of Bank, all such initial payments which shall not be limited to documentation reimbursements, meeting expenses, applicable processing fees, or charges as may be levied by Bank for disbursement of the Loan to the Borrower. Processing Fee shall be in addition to Login Fee.
- 1.45 **“Property Owner”** shall mean the person(s) who is/are the lawful owner(s) having title and in actual possession of: (a) the immovable property which is one of the factors taken into account by Bank for considering grant of the Loan or (b) the immovable property which is offered as security for the Loan.
- 1.46 **“Public Holiday”** means Second Saturday, Fourth Saturday, Sunday or a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881), and days on which banks are not open for business either in the respective clearing house or in the place of business of Bank as set out in the schedule to the Loan Agreement.
- 1.47 **“Purpose”** means the purpose for which the Loan is availed by the Borrower.
- 1.48 **“Rate of Interest”** shall mean the rate of Interest applicable for the Loan and as more specifically mentioned in the Agreement and as may be amended by Bank from time to time in accordance with the Facility Documents.
- 1.49 **“RBI”** means Reserve Bank of India.
- 1.50 **“RBI Guidelines”** shall mean any guideline, circular, notification, regulation, requirement or other restriction or any decision or determination relating to taxation, monetary union, capital adequacy norms and other prudential norms on income recognition, asset classification and provisioning pertaining to advances by banks and financial institutions, liquidity, reserve requirements, or reserve asset, special deposit cash ratio, or capital asset requirements or any other form of banking or monetary control issued or made by, or any interpretation, policy or administration of any of the foregoing, by any Competent Authority having jurisdiction over the matter in question, including any of these that has been or may be issued by the Reserve Bank of India in any manner connected with small finance banks in the private sector, whether in effect as of the date of the Agreement or hereafter.
- 1.51 **“Repayment”** means repayment of all Outstandings in respect of the Loan, provided for in the Facility Documents.
- 1.52 **“Repayment Schedule”** means the repayment schedule consisting of Equated Monthly Instalments due, along with the Due Dates, as specifically mentioned in the Agreement and printed on the loan card given to the Borrower at the time of disbursement.
- 1.53 **“Security”** shall have the meaning assigned to it in the Loan Agreement.
- 1.54 **“Security Documents”** means the Deed of Mortgage, Memorandum of Confirmation of Deposit of Title Deeds or any other instrument or document as may be executed from time to time, by the Borrower or any other person to secure the Loan or as may be designated as such by the Bank from time to time.
- 1.55 **“Security Interest”** means any mortgage, charge (whether fixed or floating), pledge, hypothecation, deed of trust, title retention, assignment, deposit arrangement, encumbrance, lien, including negative lien, preference, priority or any other security agreement or arrangement of any kind or nature whatsoever having the effect of conferring security or any interest, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law.
- 1.56 **“Tax”** includes any and all direct and indirect, present and future taxes, including without limitation any tax, levy, impost, duty, demand, cess, fees, revenues, surcharge, claims, public demands or other charges or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).
- 1.57 **“Website”** or **“Official Website of Bank”** means the website of Bank, presently being [www.ujjivansfb.bank.in](http://www.ujjivansfb.bank.in)



- 2. Interpretation:** In the Agreement and these Terms & Conditions (i) reference to the masculine gender includes the reference to the feminine gender and vice versa; (ii) the meaning of the terms used in the Agreement and these Terms & Conditions, shall be equally applicable for both singular and plural forms of the terms; (iii) unless otherwise specified, reference to a Clause shall mean reference to that particular clause of the Agreement and/or these Terms & Conditions; (iv) reference to any agreement, document, instrument, statute, enactment, ordinance, order, regulation etc. shall be construed to include a reference to the amendments, extensions, re-enactments, supplementals, restatements, novations and/or consolidations thereto from time to time; (v) save and except as specifically provided in the Facility Documents any determination with respect to the 'materiality' or 'reasonability' of any matter including of any event, quantity, degree, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise shall be made by Bank in its sole and absolute discretion; (vi) all the Schedules, Annexures and Exhibits to the Facility Documents shall form an integral part of the relevant Facility Documents; and (vii) when there is more than one Borrower, the term "Borrower" shall include all such Borrowers including Co-Borrowers and the grammar in these Terms & Conditions shall be deemed to have been appropriately modified.
- 3. Loan:** The Bank may at its sole and absolute discretion lend to the Borrower, and the Borrower shall have to borrow from the Bank, the Loan for the purpose and on the terms and conditions set out in the Facility Documents to the extent of the Loan Amount as more particularly set out in the Facility Documents or as may be agreed between the Bank and the Borrower from time to time. The Bank may, based on specific application submitted by the Borrower, grant at its sole discretion further loan/credit facility to the Borrower at such rates of interest as determined by the Bank based on factors including but not limiting to Borrower's repayment records, financial position, the viability of the business of the Borrower, etc. The Borrower shall have to execute requisite further agreement/loan documents in favour of the Bank in relation to such further loan/credit facility. However, it is clarified that the Bank shall not be under obligation to provide such further loan/credit facility to all the Borrower, whether the same has been applied for or not. The Loan may be disbursed by the Bank to the Borrower by way of account credit or through such other permissible mode and such disbursement shall be deemed as disbursed on the date the proceeds of the Loan are actually credited to any account of the Borrower or received by the Borrower in such other permissible mode (as the case be), irrespective of whether the disbursement date and/or date of receipt of credit in the account falls a Public Holiday.
- 4. Repayment:** The Borrower shall repay to Bank, the Loan, together with accrued Interest applicable thereon from the date of disbursement, as and by way of EMI and all other Outstandings on or before the respective Due Dates in accordance with the Repayment Schedule as set out in the Facility Documents. The Repayment Schedule shall, inter alia, contain the EMI (consisting, inter alia, the principal and interest) and the repayment tenure as computed by Bank from time to time. The Bank reserves the right to round off EMI received in fractions. This shall, at the discretion of the Bank, result in rounding off fraction of EMI amounting upto Paise 49 to the nearest lesser whole rupee denomination and fraction of EMI amounting more than Paise 50 (upto rupee 1) to the nearest higher whole rupee denomination. In the event any payment/re-payment would otherwise be due on a day which is not a Business Day, it shall be due on the immediate next Business Day. Subject to the terms and conditions under the Facility Documents, the repayment of all amounts under the Loan should be made within the tenure specified in the Facility Documents, in conformity with the repayment conditions stipulated by Bank. The repayment may be made by direct debit from the relevant bank account of the Borrower or through any other mode as may be permitted by Bank. Bank may, at its discretion, permit payment through National Automated Clearing House Instructions ("NACH") or Electronic Clearing Service Instructions ("ECS") or Standing Instructions ("SI") linked to the Borrower's account with Bank or through any other mode. The Borrower shall have to execute requisite mandate for registering NACH/ECS/SI in this regard. Bank may execute its rights under the ACH/ECS/SI on the Business Day falling on the previous or the subsequent day of the Due Date and the Borrower should at all times ensure that the funding account is having requisite credit balance to honour such ACH/ECS/SI. Payment in cash will be permitted in case there is any technical error in execution of NACH/ECS/SI or the remittance relates to overdue payment or Pre-Closure. Notwithstanding the above, the Borrower shall have to pay to Bank, on demand being made by Bank, the balance then outstanding and owing to Bank inclusive of all Interest upto the date of payment, together with any other charges as demanded by Bank. In respect of the revisions to be carried out in the Repayment Schedule on account of revision of Rate of Interest, either the repayment tenure or the amount of the EMI shall be subjected to such changes as may be required to give effect to the variation. The EMI should be paid on or before the respective Due Dates. The Obligors shall, jointly and severally, ensure that the payment of the EMI is not stopped for any reason whatsoever. Payment of amount in excess of the stipulated EMI will be treated as pre-payment, and the Borrower shall have to pay applicable pre-payment penalty stipulated by the Bank if he/she/they pay(s) amount in excess of the stipulated EMI. Unless the Borrower instructs the Bank in writing simultaneous with making payment of the amount in excess of the stipulated EMI, the excess amount received by the Bank shall be accounted in the concerned account in any of the following manner, at the discretion of the Bank: (a) the excess amount will be appropriated towards the principal amount outstanding under the Loan as on the date of receipt of proceeds of such excess amount, in which case the principal amount under the Loan



shall stand reduced to the extent of the amount so appropriated without prejudice to the liability of the Borrower to amortize the Loan in accordance with the Repayment Schedule, OR (b) the excess amount received by the Bank will be credited on the succeeding Due Date(s) (in conformity with the EMI mentioned in the Repayment Schedule) in the concerned account related to the Loan without prejudice to the liability of the Borrower to amortize the Loan in accordance with the Repayment Schedule. It is clarified that, the Bank reserves absolute rights to insist the Borrower to amortize the Loan only in accordance with the Repayment Schedule or to accelerate repayments.

5. **Interest:** The Borrower should pay interest on the Loan, from the date of disbursal of the Loan, at the rate specified in the Schedule forming part of the Agreement. The rate of Interest will be benchmarked to either MCLR or EBLR (as mentioned in the Schedule forming part of the Agreement). The Interest on the Loan shall be charged at the Rate of Interest set out in the Facility Documents and the frequency of the Interest payment shall be as more particularly set out in the Facility Documents. The actual Interest rate shall be a component of either MCLR or EBLR (as mentioned in the Schedule forming part of the Agreement) plus applicable spread (the spread is arrived at by the Bank, as per its laid down guidelines/policies, based on the risk weightage of the Borrower, and the spread may not be uniform for all borrowers). Interest shall be calculated on actual number of days taken as 365 (Three Hundred and Sixty Five) a year in non-leap year, and 366 (Three Hundred and Sixty Six) in leap year. In case the tenure of the Loan is spread over a non-leap and a leap year, the Interest is calculated by reckoning 365 (Three Hundred and Sixty Five) days in non-leap year and 366 (Three Hundred and Sixty Six) days in leap year. Interest shall be payable by the Borrower on a monthly basis on the last Business Day of each calendar month. The Rate of Interest represents genuine pre-estimate of the loss expected to be incurred by the Bank in the event of non-payment of any monies by the Borrower and the Borrower shall be deemed to have acknowledged the genuineness and reasonability of the same.
6. **Change in Rate of Interest or Shifting of Benchmark Rate:** During the tenure of the Loan, Bank shall have, at its discretion, the right to change/reset/revise the Rate of Interest, at any time and from time to time as per its policy and/or the guidelines issued by RBI or applicable laws or regulations, if any. Further, in case there is any change in the law and/or regulatory requirements by the regulator applicable to the Loan pertaining to provisioning norms and/or risk weightage or based on the changes in the pricing policy of Bank, then Bank may change/reset/revise the Rate of Interest in accordance with and/or to ensure compliance with such law/regulatory requirement. Bank shall intimate the Borrower about such changes, through electronic media or print media or through display made in Bank's outlets/branches/offices/Website. Also, Bank shall ensure that such changes are effected only prospectively. Any such change in the Interest rate and periodicity thereof shall be binding upon the Borrower. Notwithstanding anything to the contrary contained herein, the Interest payable by the Borrower to Bank shall be subject to the changes in Rate of Interest made by the RBI from time to time.
7. **Charges/Fees:** All fees and other charges specified in the Sanction Letter shall be paid by the Borrower at the time of disbursement of the Loan by the Bank. Failing which, the Bank shall have the sole discretion of withholding any amount/s which may aggregate to the Loan Amount being disbursed. Any such Charges/Fees/Tax should be paid to the Bank by the Borrower forthwith upon debit, or along with the next following EMI. Even if the Borrower chooses not to avail the Loan, he/she/they shall remain liable to pay to the Bank the Processing Fees. Further, such Processing Fees will not be refundable under any circumstances. The Borrower shall also pay to the Bank applicable documentation charges, cheque/ECS/ACH/SI return charges, Late Payment Charges, and all such charges mentioned in the Agreement. The Borrower shall have to pay to the Bank, closure charges not exceeding the amount fixed by the Bank from time to time at the time of closure of the Loan, and this closure charge shall be applicable only for Loans in excess of the limit fixed by the Bank from time to time. All charges/fees will be subject to applicable Tax.
8. **Life Insurance of Borrower:** Borrowers of Bank who wish to obtain life insurance cover for insuring the lives of the borrowers shall be free, on voluntary basis, to opt for insurance coverage. Bank will, under no circumstance, insist its borrowers to avail the insurance coverage. Bank may administer life insurance through selected insurance companies, the list of which may change from time to time. Such insurance, subject to the guidelines of the concerned insurance company, would cover the lives of borrowers. Borrowers who wish to opt for such insurance coverage should peruse the relevant booklet containing the details of insurance companies with whom Bank has tie up, the structure of sum assured, rate of insurance premium etc. and clearly understand the benefits and de-merits of the insurance coverage prior to opting for insurance coverage. Bank shall be mere corporate agent in regard to such insurance arrangement and all issues pertaining to such insurance coverage, including the insurance premium, eligibility norms, insurance claims etc., shall be governed by the terms and conditions of the Master Policy of concerned insurer. Insurance coverage will not be available in case of pre-payment of the Loan. All matters related to the Policy are subject to the terms and conditions of the Insurer. Any borrower opting for such life insurance being administered by Bank may pay the applicable premium amount either by depositing with Bank or by authorizing Bank to deduct from and out of the proceeds of the Loan, for onward payment to the concerned Insurer(s). If the Borrower authorizes Bank to deduct the premium from and out of the proceeds of the Loan, the receipt thereof shall be issued by Bank, by way of making suitable entry in the loan card or otherwise.



However, nothing contained herein shall cast any obligation on Bank to insure the life of the Borrower or to renew the policy/ies. The Borrower shall be solely responsible to obtain credit shield, insuring his/her life and to get such policy/ies renewed from time to time. Bank reserves the right (but not bound) to pay the premium on behalf of the Borrower in case of the Borrower's failure and get such amounts reimbursed by the Borrower. Bank shall have the right to receive and adjust any payment that Bank may receive in connection with any insurance policy/ies against the Loan and alter the Repayment Schedule as set out in the Facility Documents in any manner as it may deem fit notwithstanding anything to the contrary contained in the Facility Documents or any other document or paper.

9. **Pre-closure:** Bank may, at its pure discretion, allow the Borrower to pre-close the Loan subject to the terms and conditions stipulated by Bank from time to time.
10. **Restriction of Liability:** The sanction of Loan is at the sole discretion of Bank and the Borrower shall not have any right to insist Bank in this regard. Bank is not bound to disburse the Loan even if sanctioned, unless the Borrower conforms to the Conditions Precedent (discussed hereunder) and the terms and conditions governing the Loan. The Loan is sanctioned after evaluation of various factors, including (but not limited to) the financials of the Borrower, and as such the Borrower should avail the Loan within specified period after its sanction and in case the Loan is not availed by the Borrower within such specified period the Loan offer shall be deemed as withdrawn and the fee and charges (if any) paid shall be forfeited by the Borrower. In case the Borrower desires to avail any loan subsequently, the Borrower shall have to submit fresh loan application and also follow requisite procedures apart from paying applicable fee and charges. If the Borrower fails to comply with any of the terms and conditions governing the Loan, or if Bank is of the opinion that the Borrower is not compliant of any terms and conditions governing the Loan, Bank may cancel the Loan at its discretion, even if the Loan is disbursed in full or in part. Bank's liability to disburse amounts under the Loan, at any time, shall not exceed the limit/amount mentioned in the Facility Documents. Bank does not undertake any obligation to finance any further credit requirements of the Borrower, whether such requirements arise on account of growth in business or otherwise. The Borrower shall continue to remain at all times liable and responsible for ensuring the payment/repayment of all EMI and Outstandings on or before the relevant Due Date(s), without any further notice/intimation being given by Bank, at such place/s as Bank may specify, without any deductions whatsoever so as to enable Bank to fully realize the amounts due on or before the respective Due Date(s). Credit for payments, received on Business Day or on Public Holiday, by any method, will be given only on the Due Date occurring after such realization. The acceptance by Bank of any payment which is less than the full EMI shall not constitute a waiver of Bank's right to receive payment in full at such time or at any subsequent time or a waiver of any other rights whatsoever of Bank.
11. **Representation and Warranties:** (a) Each of the Borrower shall be deemed to have declared, represented and warranted on a continuing basis that: (i) he/she is entitled and empowered to borrow the Loan and execute the Facility Documents; (ii) no civil or criminal proceedings (including but not limited to insolvency proceedings) is/are concluded or initiated or pending or threatened against him/her or his/her assets; (iii) he/she is not a defaulter/wilful defaulter or facing any proceedings for declaring as defaulter/wilful defaulter and, if any lender initiates or threatens any action for declaring him/her as wilful defaulter, Bank shall have the right to take appropriate proceedings against him/her, (iv) the purpose for which the Loan is taken is not illegal, speculative or nefarious; (v) the Loan shall be utilized only for the purpose for which it is sanctioned and shall not be used for any illegal, anti-social, speculative purposes including but not limited to participation in stock markets/ IPOs etc.; (vi) he/she 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; (vii) except to the extent disclosed to Bank in writing he/she is not a Director or relative of a Director or Senior Official of Bank or any other bank and no Director or Employee of Bank or any other bank or their relative have any substantial interest in the activities carried out by him/her; (viii) he/she shall submit to Bank a certification, in such form, mode and manner stipulated by Bank, regarding end use of the Loan, and Bank shall have the right to take appropriate measures (including criminal action) against him/her if such certification is found to be wrong; (ix) he/she shall permit and cause to be permitted Bank to inspect his/her premises to ascertain end use of the Loan; (x) he/she has made available to Bank all the title deeds/documents in relation to the immovable property which is taken into account by Bank for grant of the Loan and each of such title deeds/documents are genuine; (xi) Bank may, at any time, call for or require verification of originals of any/all such copies and any such copy in possession of Bank shall be deemed to have been provided or given by him/her; (xii) he/she has an absolute, valid, clear and marketable title to the said immovable property, free from all doubts and encumbrances, and that there is no other security interest or third party rights, *lis pendens* or easements or similar rights over the said immovable property or any part thereof; (xiii) he/she shall continue to remain in occupation/possession of the said immovable property and not, and shall not, attempt to sell, transfer, surrender, lease, sub-lease, rent, give on leave and license, let out, transfer, dispose off, alienate or create any third party rights or security interest in or over the said immovable property or any part thereof or otherwise deal with the same or any part thereof in a manner prejudicial to the interest of Bank; (xiv) he/she is not aware of any document, law, proceedings, or of any latent or patent defect



affecting the said immovable property or the title thereto and/or which may adversely affect Bank's interests; (xv) the said immovable property is not included in or affected by any scheme of any authority or of the improvement trust or by any alignment, widening or construction of road under any scheme of any authority; (xvi) (if the said immovable property is leased out) he/she shall not do or cause to be done anything which will potentially or actually result in jeopardizing the interest of the Bank on the said immovable property. Each of the Representations and Warranties shall be deemed to be repeated by the Borrower on continuing basis, till closure of the Loan.

**12. Conditions Precedent:** Bank shall make any disbursement under the Loan subject to the fulfilment of the following conditions:

- a) The Obligors meeting Bank's requirement of creditworthiness. Bank shall be entitled to make or cause to be made market inquiries or credit bureau checks of such nature as Bank may deem fit in this regard and further, it shall be entitled to call for such credentials from the Obligors as may be required.
- b) The Obligors are in compliance of all the terms and conditions under the Facility Documents and non-existence of any default or breach under the Facility Documents or any circumstance which may make it improbable for the Obligors to fulfil his/her/their obligations under the Facility Documents.
- c) Convincing Bank about Borrower's absolute, clear, valid and marketable title to the immovable property (which is taken into account by Bank for grant of the Loan) free from any and all security interest, liability, charges, encumbrances etc.,
- d) In relation to the Obligors, absence of any pending, ongoing or threatened proceedings which, if adversely determined, may have an adverse effect on: (i) the ability of the Obligors to comply with the Facility Documents, or (ii) the interests of Bank.
- e) Execution, filing, registration and delivery, by the Obligors, of all Facility Documents in the form, manner and substance acceptable to Bank.
- f) If required by Bank or under any provision of law, the Borrower shall have to satisfy Bank with such evidence as may be acceptable to Bank: (i) about the utilization of the proceeds of the prior disbursements (if any) under the Loan, and (ii) that the disbursement is required for and shall be utilized only for the purpose for which the Loan is sanctioned.

**13. Event of Default:** The occurrence of any of the following events shall constitute an event of default ("**Event of Default**"):

- a) Non-payment of amounts payable under the Facility Documents (including but not limited to EMI) on the relevant Due Date thereof or where any payment instruction/ECS/ACH/SI is not renewed before the relevant Due Date or if any payment made by the Obligors to Bank fall short of the payment required to be made by the Borrower with respect to the amount due from the Borrower to Bank. It is clarified that only the Due Date shall be reckoned for the purpose of guidelines of RBI on Income Recognition, Asset Classification and Provisioning pertaining to Advances, irrespective of whether or not the Bank has granted at its discretion, grace period (if any) for repayment of EMI.
- b) Breach of any terms and conditions of the Facility Documents.
- c) Any information given by the Obligors to Bank while availing the Loan or as confirmed in the Facility Documents is/are found to be misleading or incorrect.
- d) Failure of the Obligors to inform 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.
- e) Any default by any of the Obligor under any credit facility agreement or arrangement entered into by the Obligor with Bank, any bank and/or financial institution/ non-banking financial company and/or other creditors, either under the Facility Documents or vice-versa ("**Cross Default**").
- f) Initiation or threatening of any proceedings for declaring any Obligor as insolvent or wilful defaulter or passing of any order against any Obligor thereunder.
- g) Failure of the Obligors to furnish and/or deliver any information or document or confirmation required by Bank within the timelines prescribed by Bank or failure to inform Bank of occurrence of any default.
- h) Obligors compounding with his/her creditors or permitting any attachment or sequestrations or other process against any of his/her assets or properties.
  - i) Demise or divorce of any Obligor.
  - j) Failure of the Obligor to furnish to Bank a detailed end use certificate/statement of the Loan as and when required by Bank.
  - k) Initiation or threatening or pendency of any proceeding in relation to the immovable property or against any Obligor by any party including any authority for any misconduct or breach/violation of any law.
  - l) Withdrawal or cancellation or withholding or stay of any authorization, issued by an authority with respect to legality of the immovable property, for any reason whatsoever.
- m) Ceasing to carry on the declared occupation or profession by any Obligor and/or becomes disqualified or disentitled (temporarily or permanently) to carry on the declared profession and/or ceasing to be a member



of the association of professionals of which the Obligor is a member and/or initiation of any disciplinary proceeding or action against the Obligor.

- n) The immovable property (which is taken into account by Bank for grant of the Loan) depreciates in value to such an extent that in the sole opinion of Bank further security/alternate property should be provided and if such security/property is not provided within the timeline acceptable to Bank or if any security/security interest ceases to enure to the benefit of Bank or if any security interest becomes infructuous or is challenged by the Borrower or any other person.
- o) An attachment or distraint is levied on the immovable property (viz., the property which is taken into account by Bank for grant of the Loan) or any part thereof and/or proceedings are taken or commenced for recovery of any dues from the Borrower against the said immovable property.
- p) Inclusion of any Obligor in defaulters' list of any Credit Information Company.
- q) One or more events, conditions or circumstances exist or shall have occurred which will have a Material Adverse Effect on the Loan.

The decision of Bank as to whether or not an Event of Default has occurred shall be final and binding upon the Borrower. The Borrower will promptly notify Bank in writing upon becoming aware of any default and any event which constitutes (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Event of Default and the steps, if any, being taken to remedy it. The basis for classification of the Facility as Special Mention Account ("SMA") categories shall be as follows (subject to the guidelines issued by RBI from time to time):

SMA Sub-categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue
SMA-0	Upto 30 (Thirty) days
SMA-1	More than 30 (Thirty) days and upto 60 (Sixty) days
SMA-2	More than 60 (Sixty) days and upto 90 (Ninety) days

The basis for classification of the Facility as Non-Performing Asset ("NPA") shall be as follows (subject to the guidelines issued by RBI from time to time): Interest and/or instalment of principal remains overdue for a period of more than 90 (Ninety) days.

- 14. Bank on its part is not obligated to provide any statements of the Loan account to the Borrower during the course of the Agreement or the Loan unless specifically requested by the Borrower. The Borrower agrees to pay such charges for this service as may be decided by Bank from time to time.
- 15. Without being obligated to do so, Bank shall be entitled to monitor the use/end use of the Loan including through any auditor(s) or consultant(s) with necessary certification from them, as appointed by Bank at its sole discretion and at the cost of the Borrower.
- 16. **Remedies of Bank:**
  - a) The remedies discussed herein shall be without prejudice to the rights and remedies available to Bank under equity and under Applicable Law.
  - b) If one or more of the events specified in this clause shall have occurred, Bank may, by issuing 7 (Seven) days' notice in writing to the Borrower declare that the principle amount of the Loan and all accrued Interest has become payable forthwith by the Borrower to Bank and Bank may at its sole discretion terminate the Agreement:
    - i) Failure of Borrower to pay the Loan, Login Fee, Processing Fee, insurance premium or if any EMI or any other amount due remain unpaid for a period of 30 (Thirty) days from the Due Date;
    - ii) Breach of the terms and conditions and covenants under the Facility Documents by the Borrower;
    - iii) Any information/document submitted by the Borrower to Bank is found false or incorrect;
    - iv) Material Adverse Effect of the Borrower, as a result of which Bank deems itself to be, insecure or the Borrower has been declared and insolvent or there exists any other circumstance which, in sole opinion of Bank, jeopardizes Bank's interest;
    - v) Usage of proceeds of the Loan by the Borrower for any purpose which may be deemed as illegal, antisocial, or speculative purpose including but not limited to participation in stock markets/IPOs;
    - vi) Proceedings for misconducts are taken against the Borrower by any Government, Quasi Government or other authority; or
    - vii) If whereabouts of the Borrower is not known for a period of 30 (Thirty) days or more.
  - c) If the Borrower fails to pay any monies on the Due Date or which may be declared due prior to the Due Date or commits any other default under any agreement (including the Agreement) in favour of Bank, Bank shall, without prejudice to any of its rights under each of the agreements, be absolutely entitled to exercise all or any



of its rights under any of the agreements entered into by the Borrower in favour of Bank, and/or withhold applicable amount/documents of the Borrower and/or terminate without any notice to the Borrower, any of the agreement (including the Agreement) in favour of Bank at the sole discretion of Bank.

- d) The remedies may be exercised by the Bank, through its representatives, servants, officers, agents, third party/recovery agents and/or such other person as may be appointed by the Bank.
17. **Bank's Right of General Lien and Set Off:** Bank shall have general lien and right of set off on all the deposit accounts maintained by the Borrower with any branch of Bank and/or on all articles or assets (whether movable or immovable) of the Borrower in the custody of Bank either as securities for any other loan/advance availed by the Borrower from Bank or kept in safe custody/safe deposit vault. In the Event of Default being committed by the Borrower in payment of any amount due under the Loan, Bank is authorized to exercise its rights of set off and appropriate any deposits maintained by the Borrower with any branch of Bank. Bank will be within its rights to sell/dispose off all such articles/assets held by Bank at its discretion, if Bank observes any breach of terms of the Agreement or Terms & Conditions, and appropriate the proceeds in satisfaction of the dues owed by the Borrower to Bank. In addition to the above mentioned rights or any other right which Bank may at any time be entitled whether by operation of law, contract or otherwise, Bank will have absolute rights to: (a) combine or consolidate at any time all or any of the accounts and liabilities of the Borrower with or to any branch of Bank and (b) sell or dispose off any of the assets of the Borrower held by Bank, by way of public or private sale or assignment or in any other manner whatsoever without having to institute any judicial proceeding whatsoever and retain/appropriate from the proceeds derived there from the total amounts outstanding to Bank from the Borrower, including costs and expenses in connection with such sale/disposal/transfer/assignment. Bank is not obligated to issue notice/intimate the Borrower while exercising its rights discussed herein.
18. **Assignment:** The Borrower shall not be entitled to assign his/her rights and/or obligations under the Facility Documents to anyone. However, Bank shall be at liberty to assign its rights and/or obligations, or to shift, at its discretion, without notice to the Borrower, from time to time a part or portion or whole of the Outstandings in the limit/s of the Loan (hereinafter referred to as the "**Participation**") to one or more scheduled commercial banks (hereinafter referred to as the "**Participating Bank/s**") under the provisions of the Uniform Code Governing Inter Bank Participations, 1988, or its amendments (copy of which can be had from Bank against requisition), which the Borrower shall be deemed to have read and understood. The Participation shall not affect the rights and obligations, inter se, Borrower and Bank in respect of the Loan, in any manner whatsoever. The Borrower shall not have and shall not claim any privity of contract with any such Participating Banks and Bank shall, and shall continue to, represent the Participating Banks in all respects and for all matters arising out of/relating to the Participation.
19. Bank shall have the right to retain or to destroy at its pure discretion, the documents/information submitted by the Borrower in connection with the Loan.
20. **Governing Law & Jurisdiction:** These Terms and Conditions and the Facility Documents shall be construed in accordance with the law in force in India. If any controversy or dispute should arise between the Parties in performance, interpretation or application of the Terms and Conditions and the Facility Document involving any matter, the same may be resolved amicably between the Parties. Any or all disputes arising out of Terms and Conditions and the Facility Document shall be subject to the sole and exclusive jurisdiction of the Courts and Tribunals within whose jurisdiction the branch/office of Bank where the Loan account is maintained.
21. **Notice:** Any notice or request or communication to be given or made by a party to the other shall be in writing and shall be sent to the concerned party(s) at the address mentioned/specified in the Agreement. The notice/request/communication sent by the Borrower should be by way of pre-paid registered AD post/speed post and to be sent to the address of Bank (mentioned in the Agreement) and shall be deemed to have been received by Bank, when it shall have actually been received by Bank at the address. The notice/request/communication sent by Bank may be sent in any manner that Bank may so deem fit and proper (in its sole and absolute discretion) and the same shall be deemed to have been received by the Borrower: (a) if given by post on the expiration of 2 (Two) days after the same shall have been delivered to the post office and for proving the service it shall be sufficient to show that the envelope containing the notice was properly addressed and posted, and (b) if delivered personally, when left at the address of the Borrower (mentioned in the Agreement), and a certificate by an officer of Bank who sent such notice or communication that the same was so given or made shall be final, conclusive and binding on the Borrower.
22. **Miscellaneous:** Bank shall without prejudice to its rights to perform such activities itself or through its officials or servants be absolutely entitled and have full powers and have authority to appoint one or more third parties of Bank's choice to transfer and delegate to such parties the right and the authority to collect on behalf of Bank, the Instalments, charges, unpaid amount and other sums due to Bank under the Facility Documents. (b) A demand promissory note may be executed by the Borrower in favour of Bank for the Loan Amount, if so stipulated by Bank, and the Borrower shall have to execute such demand promissory note in favour of Bank without any demur as and when called upon to do so by Bank. (c) Any amendment/alteration/modification in the Loan, Rate of Interest, Additional Interest, Late Payment Charges, Amount of Instalment, Number of Instalment or any other



condition related to the Loan shall be deemed to have been substituted here in and in the Facility Documents immediately upon such amendment/alteration/modification by Bank. (d) The Obligors shall comply, jointly and severally with all applicable laws and regulations from time to time in force including any amendments, modifications or changes thereof which may be made to any such laws and regulations.

**23. Other Conditions: -**

- a) In case the Borrower has to discontinue the activity for which the Loan was availed, for any reason attributable to his/her default, negligence, misbehaviour or otherwise, or by an act of God or due to unforeseen circumstances, and becomes incapacitated to continue the activity for which the Loan was availed, the Outstanding under the Loan shall be repaid immediately upon demand by Bank.
- b) The Borrower shall inform Bank of any change in his/her financial condition, which is likely to affect Bank's decision to continue the Loan. For this purpose, the Borrower shall furnish to Bank on an annual basis, copies of the income-tax returns or any payment of tax and or such other documents as may be requested by Bank.
- c) The Borrower shall promptly give written notice to Bank of (i) any dispute which might arise between the Obligors and any person or any governmental body or authority relating to; (ii) any material circumstances affecting the ability of the Obligors to repay the Loan in the manner stipulated by Bank.
- d) The Obligors shall on Bank's request do, perform and execute such acts, deeds, matters and things as Bank may stipulate from time to time.
- e) The Obligors shall be deemed to have confirmed that the documents and true copies thereof, submitted to Bank are genuine. Bank shall have the right, at any time, to call for or require verification of originals of any/all such copies.
- f) The Obligors shall jointly and severally bear all costs of making good any deficit in stamp duty on the Facility Documents and other documents executed in relation to the Loan.
- g) Bank may use the contact number/e-mail Id of the Obligors in connection with transactional, promotional as well as service related calls or messages.

**24. Other Disclosures:**

- a) Bank is committed to transparency and Fair Lending Practices.
- b) The Obligors are not under obligation to sign the Agreement or other documents forming part of the loan transaction, unless all blank spaces therein are duly filled in with relevant particulars to the satisfaction of the Borrowers.
- c) Bank never insists the Obligors to submit any document, instrument or valuable items, other than what are discussed in these Terms and Conditions.
- d) Bank issues receipt for any amount collected from the Borrowers.
- e) No Security Deposit/ Margin, other than those mentioned in the Facility Documents, is being collected from the Borrower.
- f) Customers who are facing serious debt repayment problems for reasons beyond their control can approach the branch for rescheduling their Loans.
- g) The grant of the Loan is not linked to any other product / service offered by Bank or third party.
- h) The privacy of the data of Obligors will be respected, subject to the covenants in the Facility Documents. The Borrower shall have the right to dissent from sharing of his/her/its personal details with the entities mentioned in the Loan Agreement, and the Bank shall consider such requests if the Borrower serves upon the Bank requisite request in writing in this regard.

**25.** The Borrower may contact the toll-free helpline number **1800 208 2121** for clarifications, or if they observe inappropriate behavior or demands which do not conform to the above referred Other Disclosures by any of the staff of Bank. The Borrower may also approach the Regional Nodal Officers of Bank at the respective Regions (changes in the contact particulars shall be updated on the Website, and the Borrower is advised to visit the Website for latest contact particulars of the Regional Nodal Officers):

East	West	North	South
Regional Nodal Officer Ujjivan Small Finance Bank Ltd., 4th Floor, Rishi Tech Park, Premises No.02-0360, Plot No.DH-6/2, Action Area 1D, New Town, Kolkata - 700 156 Contact Number: +91 33 4045 2171 Ext: 171	Regional Nodal Officer Ujjivan Small Finance Bank Ltd., Almonte IT Park, SR No: 8, 7th Floor, Next to Reliance Smart, Hadapsar Mundhwa Bypass, Village Kharadi, Pune - 411 014 Contact Number: +91 20 41412121 Ext: 130	Regional Nodal Officer Ujjivan Small Finance Bank Ltd., Block-D, Plot No: 7, Vyapar Marg, GMTT Building, 2nd & 3rd Floor, Block D, Sector 3 Noida, Uttarpradesh - 201 301 Contact Number: +91 0120 6262121 Ext: 120	Regional Nodal Officer Ujjivan Small Finance Bank Ltd., Grape Garden, No: 27, 3rd A Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560 095 Contact Number: +91 80 4071 2121 Ext: 874 Email: <a href="mailto:rno.south@ujjivan.com">rno.south@ujjivan.com</a>



# UJJIVAN SMALL FINANCE BANK

Build a Better Life

Email: [rno.east@ujjivan.com](mailto:rno.east@ujjivan.com)

Email: [rno.west@ujjivan.com](mailto:rno.west@ujjivan.com)

Email: [rno.north@ujjivan.com](mailto:rno.north@ujjivan.com)

The Borrower is informed that a copy of these Terms and Conditions is available at branches of Bank for reference purpose. The Borrower is specifically informed that he/she is not under obligation to accept/acknowledge/agree to/sign the Facility Documents (which includes these Terms and Conditions) unless he/she reads, understands and convinces himself/herself about the terms and conditions of the Facility Documents, and he/she is fully agreeable with the clauses therein.

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