

LOAN AGREEMENT

THIS LOAN AGREEMENT (hereinafter referred to as the “**Agreement**”) made at the place and on the date stated in the Schedule A hereunder

BETWEEN

- (1) ART Housing Finance (India) Ltd. a company within the meaning of the Companies Act, 2013, and having CIN U65999DL2013PLC255432 and having its registered office at 107, Best Sky Tower, Netaji Subhash Place, Pitampura, Delhi – 110 034 and acting through its branch office at _____ (hereinafter referred to as “**the Lender**”, which expression shall unless the context otherwise requires, include its successors and permitted assignees) of the **One Part**;

AND

- (2) The persons whose name(s) and address(es) is/ are stated in the Schedule A of this Agreement, (hereinafter referred to as the “**Borrower(s)**”, of the Other Part.

The Borrower and the Lender, where the context so requires, are hereinafter, collectively referred to as the “**Parties**” and individually as a “**Party**”.

WHEREAS

- A. The Lender is registered as a housing finance company with the National Housing Bank, under the provisions of the National Housing Bank Act, 1987.
- B. The Borrower is desirous of availing a loan facility for the Purpose (as hereinafter defined). Pursuant to the request of the Borrower, the Lender has agreed to extend the Loan (as hereinafter defined) to the Borrower and has issued the Sanction Letter (as hereinafter defined) in this regard containing the key terms of the Loan and the interest and charges applicable as on date, all of which has been accepted by the Borrower;
- C. The Borrower has offered the Assets mentioned in Schedule – D as security (hereinafter referred to as the “**Security**”) for the Loan and also undertakes to make Repayment (as hereinafter defined) of the Loan and Interest Rate on the Due Date (as hereinafter defined) as per terms of this Agreement.
- D. The Borrower and Lender hereby agree that this Loan is subject to the terms and conditions contained in this Agreement, Sanction Letter and such other terms and conditions as may be deemed necessary and notified from time to time by the Lender to the Borrower.

THEREFORE, in consideration of the preceding, and other good and valid consideration, the receipt and adequacy of which are hereby expressly acknowledged, the Parties hereby agree as follows:

ARTICLE-1: DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS:

In this Agreement, unless the subject or context otherwise requires, the following words and expressions shall have the following meaning assigned below:

- a) “**Additional Interest**” shall mean additional interest charged by the Lender over and above the Interest Rate (as hereinafter defined) on overdue amounts upon happening/ occurrence of any of the events/ circumstances listed in Article 7 of this Agreement.
- b) “**Affiliate**” shall mean, in relation to any person, any entity controlled, directly or indirectly, by that Person, any entity that controls, directly or indirectly, that Person, or any entity under common control with that Person, or, in the case of a natural person, any relative (as defined under the Companies Act, 2013) of such Person. For the purpose of this definition, (i) control means the power to direct the management and policies of an entity whether through the ownership of voting capital, by contract or otherwise, and (ii) a holding or subsidiary company of any entity shall be deemed to be an Affiliate of that entity.
- c) “**Agreement**” means and includes this Agreement and the attachment/s annexed hereto. Agreement shall also include applications, supplementary agreements, modifications, alterations, addendum attachments, annexures, exhibits and schedules subsequently executed during the tenure of this Agreement.
- d) “**Amortization**” means repayment of the Loan and interest thereon by way of Equated Monthly Installments (EMIs) or in any other manner determined by the Lender and includes repayment of other dues, charges etc. under this Agreement. The mode of amortization is more specifically described and set out in the Schedule – A.

- e) **“Asset”** means any property whether immovable or movable and whether tangible or intangible on which a Security Interest is to be created in favour of the Lender including the Property, the acquisition/ construction/ expansion/ extension/ improvement etc. of which is financed by the Lender hereunder.
- f) **“Borrower”** means and includes the Person (defined hereunder) who is / are the Borrower for the Loan and includes the Borrower, co- borrower or any person(s) named in Schedule A, to whom the Lender has agreed to grant the Loan and who has/ have received the Loan pursuant to this Agreement. Each Borrower (whether named as Borrower or co-borrower) shall be jointly and severally liable to discharge all obligations as per the terms of this Agreement. The Borrower and co- borrower shall, wherever the context so requires, mean and be construed as **“Borrower”**.

The expression **“Borrower”**, unless it be repugnant to the context or meaning thereof, shall mean and include

- i. in the event that the Borrower is a Company incorporated under the Companies Act, 1956/ 2013 or a Limited Liability Partnership, incorporated under the Limited Liability Partnership Act, 2008, its successors and permitted assigns;
 - ii. in the event that the Borrower is a partnership firm for the purposes of the Indian Partnership Act, 1932, the partners for the time being and from time to time and their respective legal heirs, executors, administrators and permitted assigns;
 - iii. in the event that the Borrower is a sole proprietorship, the sole proprietor and his/ her heirs, administrators, executors and permitted assigns;
 - iv. in the event that the Borrower is a Hindu Undivided Family, the Karta and any or each of the adult members of the Hindu Undivided Family and their survivor(s) and his / her / their respective heirs, executors, administrators and permitted assigns;
 - v. in the event that the Borrower is a Society, the members of the governing body of the Society and any new members elected, appointed or co-opted thereon;
 - vi. in the event that the Borrower is a Trust, the Trustee or Trustees for the time being hereof and their respective heirs, executors, administrators and successors;
 - vii. in the event that the Borrower is an individual, his/her heirs, administrators, executors and permitted assigns.
- g) **“CERSAI”** means Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
 - h) **“Construction”** shall mean and include any new construction, repair, re-building, improvement, extension, alterations, renovations and/ or up- gradation, etc of the Property/ies, as the case may be.
 - i) **“Debit Clearing”** hereinafter referred to as ‘ACH’, means the Debit Clearing Service notified by the Reserve Bank of (India), participation in which has been consented to in writing by the Borrower for facilitating payment of installments.
 - j) **“Disbursement”** means a payment made or to be made under this Agreement by the Lender under the request made by the Borrower vide Disbursement Request form (defined hereunder) for availing the Loan.
 - k) **“Disbursement Request Form”** shall mean the letter through which the Borrower requests the Lender to release part/s or whole payment of the Loan amount, to the builder, society, self or other party as applicable. This form will form a part of this Agreement and shall be binding upon the Borrower.
 - l) **“Penal Charges”** shall mean any charges which will be levied on breach of terms or conditions of loan agreement. The Borrower may refer to the current penal charges in the MITC, available on the website <https://www.arthfc.com>.
 - m) **“Due Date”** means the dates on which any amounts including principal, Interest Rate, or amount which are to be paid by the Borrower to the Lender, fall due for payment by the Borrower to the Lender as per this Agreement.
 - n) **“Effective date”** means the date on which the first disbursement is availed by the Borrower out of the total Loan sanctioned.
 - o) **“Encumbrance”** shall mean any:
 - i. A mortgage, charge, pledge, lien or any other arrangement which creates rights or interest in the secured asset in favor of any person other than the Lender; or
 - ii. Any arrangement under which money or claims to, or for the benefit of, a bank or other account may be applied, set-off or made subject to a Company’s accounts so as to effect payment of sums owed or payable to any person out of the secured asset; or
 - iii. Any other type of preferential arrangement (including but not limited to title transfer arrangements, option or right of pre-emption, entitlement to beneficial ownership, any interest of right or any conditional sale) having a similar effect
 - p) **“Equated Monthly Installment”** or **“EMI”** means the amount of monthly payment necessary to amortize the Loan with interest within such period as may be determined by the Lender from time to time during the tenure of the Loan. The term **“Equated Monthly Installment”** shall not mean or be construed as equal installments where the Interest Rate to be levied is agreed to be variable.
 - q) **“Fees and Charges”** shall mean and include without limitation processing fees, service charges, Prepayment charges, cheque bounce charges, cheque swapping charges, loan re-schedulement charges, loan statement charges, loan cancellation and rebooking charges, non-utilization charges, stamp duty, registration and other statutory duties, NOC issuance charges, legal collection, repossession and incidental charges, valuation charges, change in repayment frequency charges and all other fees and charges payable by the Borrower to the Lender and shall include all charges which the Lender may have to incur during the tenure of the Loan on account of the existence of the present agreement;
 - r) **“Financial Year”** means period of twelve months commencing from 1st April or as mentioned in Income Tax Act from time to time.
 - s) **“Financing”** means providing of Loan to the Borrower by the Lender for purchase/ construction/ extension/ up-gradation/mortgage of a Property/ies by the Borrower.
 - t) **“Guarantor”** means and includes any Person who has agreed or extended the guarantee for the repayment of the Loan provided to the Borrower by the Lender pursuant to this Agreement and has signed the guarantee deed.

- u) **"Interest Rate"** means the fixed or the floating/ variable rate of interest referred to in Article 2.2 of this Agreement and as mentioned in Schedule A. The Interest Rate as announced by the Lender from time to time as its Prime Lending Rate (PLR) and applied by the Lender with spread, if any, as may be decided by the Lender, as applicable to the loan of the Borrower pursuant to this Agreement.
- v) **"Loan"** means the Loan of an amount as set out in Article 2.1 of this Agreement and Schedule, including any additional top-up Loan availed in future by the Borrower and includes all interests, costs or any other expenses related to the Loan.
- w) **"Loan Application"** means the application along with the supporting documents submitted by the Borrower for the purpose of availing a finance facility from the Lender for the purpose stated therein.
- x) **"Loan Document"** means and includes this Agreement along with annexures, security documents and all other agreements, instruments, undertakings, indentures, deeds, writings and other documents (whether financing, security or otherwise, including without limitation any documents creating a lien or Encumbrance in favor of the Lender) executed or entered into, or to be executed or entered into, by the Borrower or as the case may be, by any other Person, in relation, or pertaining, to the transactions contemplated by, or under this Agreement and/or the other Loan Documents, as amended from time to time.
- y) **"Loan to Value Ratio"** or **"LTV"** means the ratio of the aggregate of the Borrower's dues under the Loan, to the current market value of the Property as determined by the Lender in its absolute discretion.
- z) **"Sanction Letter"** means the sanction letter issued by the Lender for sanctioning of the Loan to the Borrower containing all the terms and conditions binding on the Borrower, on which the Loan is offered by the Lender to the Borrower.
- aa) **"Person"** as the context may require shall mean any individual, corporation, partnership, (including, without limitation, association), company under the purview of Companies Act, 2013, trust, unincorporated organization, Hindu undivided family or any governmental authority or political subdivision thereof. The expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include: (i) in case of a company, its successors and permitted assigns; (ii) in case of a partnership firm, the partners for the time being and from time to time of the partnership firm, their survivor or survivors of them, their respective heirs, administrators, executors, legal representatives and successors of the partner(s); (iii) in case of a trust, the trustee or trustees of the trust for the time being and from time to time; (iv) in case of a Hindu undivided family, the Karta and the members for the time being and from time to time of the said Hindu undivided family and their respective heirs, executors, administrators and assigns; (v) in case of an individual proprietor, the proprietor's heirs, administrators, executors and legal representatives; (vi) in case of an individual, the individual's heirs, administrators, executors and legal representatives;
- bb) **"Pre Equated Monthly Installment Interest"** or **"PEMII"** or **"PEMI"** means interest at the rate indicated in Article 2.2 (as varied from time to time) on the Loan from the date/ respective dates of disbursement/ s to the date immediately prior to the date of commencement of payments of EMI.
- cc) **"Pre-payment"** means foreclosing of the Loan or premature repayment of the entire Loan or any part amount including all charges as per terms and conditions laid down by the Lender in that behalf prior to the tenure of the Loan.
- dd) **"Prime Lending Rate"** or **"PLR"** means the Interest Rate announced by the Lender from time to time as its housing prime lending rate as its RPLR either on its website or through other mode of communication to the Borrower.
- ee) **"Property"** means the immovable property more particularly described in the Schedule – D of this Agreement on which the Security Interest is created by the Borrower in favour of the Lender and shall include such other properties as may be substituted instead of or added to such property or all such properties, with the Lender's consent.
- ff) **"Purpose"** means the lawful purpose for which the Loan is granted/agreed to be granted, and shall include, the purpose described in this Agreement or the Schedule hereof or Sanction Letter or as may be permitted in writing by the Lender from time to time.
- gg) **"Repayment"** means and includes repayment of all dues in respect of the Loan, which shall be construed to include the principal amount of the loan, interest, all other charges, legal fees, expenses and costs, etc. provided for in this Agreement.
- hh) **"Schedule"** means the Schedule as set out in Article 13 of this Agreement.
- ii) **"Security"** shall have the meaning set out under Article 3 of this Agreement and as detailed in Schedule D.
- jj) **"Security Document"** means and includes without limitation to any deed, document or any other instrument, memorandum, deed or any paper written manually or in electronic media, or any other visual form and whether or not signed, creating or evidencing the creation of a Security Interest executed by the Borrower or any other Person in favour of the Lender as Security for Repayment and payment of the Loan.
- kk) **"Security Interest"** is an interest created on the Assets as mentioned in Schedule – D/secured asset which includes mortgage, charge, lien, or any other superior interest created upon the secured asset in favour of the Lender as a means for securing the repayment and which can be disposed in the manner that the Lender decides to ensure Repayment of Loan.
- ll) **"Security Provider"** means each Person who provides Security for the Loan as stated in the Schedule.
- mm) **"tax"** or **"taxes"** shall mean any and all present and future taxes, including without limitation, taxes pertaining to gross receipts, sales, turn-over, value added, use consumption, Property, Assets, income, franchise, capital, occupational, license, excise and documentary stamps, customs and other duties, assessments, or fees, however imposed, withheld, levied, or assessed by any country or governmental authority in the country or abroad.

1.2 INTERPRETATIONS:

In this Agreement unless the context otherwise requires:

- a) Reference to one gender includes a reference to the other and the words importing the singular include the plural and vice versa, reference to any gender includes all genders

- b) Reference to the words “includes” or “including” shall be construed as being by way of illustration only and shall not be construed as limiting the generality of any forgoing words.
- c) Any consent, permission, approval or no objection (by whatever name called) of the Lender shall mean the prior written consent of the Lender.
- d) Any document required to be executed for the purposes of this Agreement would be in a form acceptable to the Lender. In the event of any disagreement or dispute between the Lender and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Lender as to the materiality or reasonableness of any of the foregoing shall be final and binding on the Borrower.
- e) The Sanction Letter acknowledged by the Borrower shall form as an integral part of this Agreement and the terms therein shall be read as part of this Agreement.
- f) When there is more than one guarantor, the term guarantor shall include all such guarantors and the grammar in this agreement shall be deemed to have been appropriately modified. If however there are no guarantors, the provision relating to guarantee to be provided by the guarantor (s) shall be deemed to be excluded from this Agreement.
- g) When there is more than one Security Provider, the term Security Provider shall include all such Security Providers and the grammar in this agreement shall be deemed to have been appropriately modified.
- h) Unless the contrary intention appears or context otherwise requires, or is otherwise specified herein, a term defined in this Agreement, which is not otherwise defined in any other documents or in any notice given under or in connection with this Agreement, will have the same meaning in the documents or notice, as in this Agreement. Any term or expression used but not defined herein or in the other documents shall have the same meaning attributable to it under applicable law including the General Clauses Act, 1897.

ARTICLE-2: LOAN, INTEREST & AMORTISATION

2.1

a) Amount of the Loan:

The Borrower agrees to borrow from the Lender and the Lender agrees to lend to the Borrower a sum as stated in Schedule - A on the terms and conditions herein set forth.

The Loan shall be utilized by the Borrower only for the specific Purpose for which it is availed as mentioned in Schedule – A of this Agreement and for no other reason or purpose whatsoever.

b) Details of Disbursement:

The Loan may be disbursed in one or more than one installment over a period to be decided by the Lender with reference to the availability of the Loan for the Purpose (which decision shall be final and binding on the Borrower). The Borrower hereby acknowledges the receipt of the Loan/ installment disbursed as indicated in the receipt annexed herein and agrees to acknowledge the receipt of the Loan against future disbursement, if any. The disbursement of Term Loan, if needed, is to be done as per the construction stages.

c) Mode of Disbursement:

All payments to be made by the Lender to the Borrower under or in terms of this Agreement shall be made by Cheque/Demand Draft/ Pay order/ Banker’s Cheque duly crossed and marked “Account Payee Only” or by NEFT or RTGS mode and the collection charges, if any in respect of all such Cheque/Demand Draft/ Pay order/ Banker’s Cheque will have to be borne by the Borrower.

The cheque will be in the name of the Borrower or the person/ entity in which / whose name the disbursement memo is filled for release of loan amount.

d) Terminal Dates for Disbursement:

Notwithstanding anything to the contrary contained herein the Lender may, by notice to the Borrower suspend or cancel further Disbursement/s of the Loan, if the Loan is not fully drawn within 24 months from the date of first Disbursement or such period as may be decided by the Lender from time to time. In the event of such cancellation, the amount drawn shall be treated as the Loan and not the amount stated in the Schedule - A.

If the entire amount of the Loan is not drawn by the Borrower within a period of 24 months from the date of first Disbursement or such period as may be decided by the Lender from time to time, EMIs may be altered and rescheduled in such a manner and to such extent as the Lender may in its sole discretion, decide and the Re-payment will thereupon be made as per the said alterations and rescheduling notwithstanding anything stated in this Agreement.

2.2

Interest Rate:

- a) The Loan shall carry Interest Rate as specified in the Schedule – A;
- b) In case of variable/ floating Interest Rate is opted by the Borrower, the Interest Rate applicable shall be revised by the Lender, from time to time as per its prevailing policies/ rules. The Borrower agrees to pay Interest Rate at the revised rate. The Borrower agrees that the Borrower shall have no objection to any such revision in Interest Rate.
- c) The Borrower shall reimburse or pay to the Lender such amount as may have been paid or payable by the Lender to the Central or State Government on account of any tax levied on interest (and/ or other charges including the PEMI) on the loan by the Central or State Government. The reimbursement or payment shall be made by the Borrower as and when called upon to do so by the Lender.

- d) The Interest Rate on the Loan will begin to accrue in favour of the Lender as and from the date of disbursement of the loan irrespective of the - time taken for transit/ collection/ realization of the cheque by the Borrower or any other person authorized in this regard or his bank.

2.3

Computation of Interest:

- a) The EMI comprises of principal and interest calculated on the basis of monthly rests at the Interest Rate opted for and is rounded off to the next rupee. Interest and any other charges shall be computed on the basis of a year of three hundred and sixty days.
- b) The interest for the broken period where disbursement has been made during the month shall be calculated for actual number of days from the date of disbursement upto date on installment/ PEMI based on actual number of days and shall be computed on the basis of a year of three hundred and sixty five days.
- c) The Borrower acknowledges and accepts that the variable Interest Rate is linked to the Prime Lending Rate (PLR) of the Lender. Any change in/ review of the PLR by the Lender as per its policy (ies) shall/ may result in a consequent change in Interest applied on the Loan. Any tax or levy imposed by Central, State or Local Government or other parameters and variables may also be taken into account by the Lender while varying the interest.
- d) The Borrower understands that the PLR and consequently the variable Interest Rate may be subject to change, and Effective Date of change will be determined by the Lender.
- e) Changes in the Interest Rate shall be binding on the Borrower upon communication in writing (including electronic mode) with respect to such changes at the time of change.
- f) The Lender would be entitled to modify and vary the Interest Rate from time to time and upon such revision the Borrower agrees to pay the revised Interest Rate. The Borrower may also check such revisions from the Lender from time to time.
- g) The application of varied/ modified/ changed Interest Rate on variable interest rate agreements, shall be as follows:
- i. In the event that the Borrower has already commenced payment of EMI before the beginning of the month in which the Lender has revised the PLR, the varied Interest Rate as revised/ modified/ varied/ changed shall be applied on the outstanding principal amount of the Loan as at the beginning of subsequent month and shall be applicable on the balance due amount lent by the Lender.
 - ii. In the event, the Borrower has not commenced payment of EMI, prior to revision of PLR, the varied Interest Rate as modified/ varied/ changed/ revised shall be applied on the outstanding principal amount as on the date of such revision/ change/ modification/ variation shall be applicable on the balance due amount lent by the Lender. and
 - iii. In the event the date of commencement of EMI and interest variation/ revision/ modification/ change date are same then the varied/ modified/ revised rate shall be on the balance amount due as lent by the Lender.

However, notwithstanding the above on the date of execution of the agreement, the Lender in its sole discretion may change/ vary/ modify the applicable Interest Rate in accordance with its internal policies / due to change in market condition / or for any other reason.

2.4

Amortization:

- a) Subject to Article 2.2 and the provision for variation of interest rates, etc. contained in this Agreement, the Borrower will amortize the Loan as stipulated in the Schedule A however, in the event of delay or advancement of disbursement for any reason whatsoever, the date of commencement of EMI, as the case may be, shall be the seventh day of the month following the month in which the disbursement of the loan would have been completed and consequently the Due Date of payment of first EMI shall in such case be the 07th day (which is subject to change at the discretion of the Lender) of the following month.
- b) In addition to (a) above, the Borrower shall pay to the Lender, PEMI every month till the time EMI has not commenced.
- c) The Borrower agrees and accepts that the Lender shall have the right from time to time as mentioned herein, to review and reschedule the repayment of the Loan and dues under this Agreement including the tenure. Information with respect to such revision and the applicable/ applied Interest shall be communicated to the Borrower in writing. Notwithstanding what is stated in Article 2.4 (a) above and in the. Schedule, the Lender 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 Lender may in its sole discretion decide. In such events the Borrower shall repay the Loan or the outstanding amount of the Loan thereof as per the revised schedule as may be determined by the Lender in its sole discretion and communicated to the Borrower by the Lender in writing at the time of such revision or at the end of the said financial year in the discretion of the Lender which writing shall thereafter form an integral part of this Agreement.
- d) The EMI amount is intended to be kept constant irrespective of variation in the Interest and as a result of this the number of EMIs is liable to vary. No intimation shall be given by the Lender as to the number of EMIs required to be paid by the Borrower upon each Interest application. Provided however, the information as to the applicable/ applied Interest Rate during the financial year of ART Housing Finance India (Ltd.) and the number of EMIs payable shall be intimated by the Lender to the Borrower on request of Borrower. The Borrower shall pay EMIs until the Loan together with Interest is repaid in full.
- e) Notwithstanding anything to the contrary contained in this Agreement, the Lender shall be entitled to increase the EMI amount suitably if:
- i. the said EMI would lead to negative amortization (i.e. EMI not being adequate to cover interest in full), and/ or
 - ii. the principal component contained in the EMI is inadequate to amortize the Loan within such period as determined by the Lender and/ or

- iii. due to change in balance tenure of the Loan to 30 years or beyond or as per the cut off tenure fixed by the Lender from time to time and/ or
- iv. any such damage as warranted by the Lender.

The Borrower shall be required to pay such increased EMI amount and number thereof as decided by the Lender and intimated to the Borrower by the Lender.

- f) The Borrower undertakes to be bound by any rescheduling of the tenure of the Loan and the amount of the EMIs/ recomputing of tenure and/ or EMIs and/ or Interest by the Lender in terms of this Agreement for repayment of the Loan.
- g) The Borrower agrees and accepts that notwithstanding anything contained in this Agreement, the Lender may, in its discretion, during the tenure of this Agreement, with a view to keep the EMIs constant, vary the tenure of this Agreement or with a few to fix a particular tenure, vary the EMI.
- h) The Borrower understands and accepts that upon variation of the EMIs, adjustments, if any, may be done at the end of any month/ quarter/ financial year as may be decided by the Lender from time to time, additional amounts may have to be paid by the Borrower in the event the EMI has increased, to make up the shortfall in the EMI, if any. However, if EMI has been reduced, adjustment shall be made by the Lender from future EMIs/ PEMI and other dues of the Borrower.
- i) **Tenure**
The tenure of the Loan and its commencement shall be as set out in Schedule - A. However, this Agreement shall remain in force till all the monies due and payable under this Agreement are fully paid by the Borrower to the satisfaction of the Lender.
- j) The Lender shall have the right to request 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.

2.5 Place and Mode of Payment by the Borrower:

- a) The Borrower understands & undertakes that the Loan and all dues shall be amortized by any of the following modes:
 - (i) ACH
 - (ii) Deduction at source from salary
 - (iii) Such other mode as may be approved by the Lender.

All monies due and payable by the Borrower to the Lender under or in terms of this Agreement shall be paid at the registered office or the concerned regional/ branch office of the Lender by cheque or bank draft, drawn in favour of the Lender on a scheduled bank in the town or city where such registered office/ branch/ regional office is situated where the Lender has an account or ACH executed in favour of the Lender or in any other manner as may be approved by the Lender and shall be so paid as to enable the Lender to realize the amount sought to be paid on or before the due date to which the payment relates. Credit for all payments by cheque/ bank draft drawn will be given only on realization thereof by the Lender.

2.6 In addition to the above,

- a) The Lender shall be entitled to present the appropriate ACH/ postdated cheque(s) in respect of an EMI in its bank at any time on or after the due date of such EMI, the Borrower undertakes to keep sufficient balance in his account to honour the same.
- b) In the event the Lender does not, for any reason, deposit -/ postdated cheque(s) before the expiry of the validity period of the postdated cheque (s), the Borrower shall deliver, within seven (7) days from the date of an intimation letter by the Lender in this regard, minimum 24 new - postdated cheque(s) of a like amount.
- c) The Borrower undertakes to the Lender to honor all payments without fail and not to instruct his/ her bankers to stop payment/ countermand the ACH/ postdated cheques and close the bank account. The Borrower shall also not instruct the Lender to withhold presenting the ACH/ postdated cheque(s) on their Due Dates.
- d) The Borrower shall promptly, in full, pay the Pre-EMI (If applicable), EMI and all other amounts payable under this Agreement, without any demur, protest or default and without claiming any set-off or counter claim, on the respective dates on which the same are due.
- e) The Borrower agrees and undertakes to replace/ revalidate any of the postdated cheques/ cheque/ ACH that the Lender may so desire without any protest, contest, demur whatsoever within the time stipulated by the Lender. Should the Borrower wish to swap/ interchange the postdated cheques/ cheques/ ACH from one bank to another, or for any reason other than that stated hereinabove, the Borrower may do so by paying to the Lender swap charges as per the prevailing rules of the Lender in force from time to time.
- f) If the due date for the payment of any EMIs/ PEMIs/ interest or other dues, payable under this Agreement, falls on a day which is a bank holiday at the place where the payment is to be made, the immediate preceding working day shall be the due date for such payment.
- g) No disputes, actual or imagined, shall entitle the Borrower to withhold the payment of any amounts and dues payable under this Agreement.

2.7 Delay in payment of EMIs/ PEMIs/ Interest/ other dues etc.:

- (a) No notice, reminder or intimation will be given to the Borrower regarding his obligation to pay the EMIs/ PEMIs/ Interest or any other dues regularly on the Due Date. It shall be entirely the responsibility of the Borrower to ensure prompt and regular payment of EMIs/ PEMIs/ Interest.
- (b) The delay or default in payment of EMIs/ PEMIs/ Interest or any other dues shall render the Borrower liable to pay Penal Charges as mentioned in Schedule A or at such rate as per the rules of the Lender in that behalf as in force from time to time. In such an event, the Borrower shall also be liable to pay incidental charges and costs to the Lender.
- (c) Any dishonoring of postdated cheques/ cheque/ ACH shall make the Borrower liable for payment of dishonoring charges as per the prevailing rules of the Lender in force from time to time.
- (d) Provided, the levy of Penal Charges under this clause shall not prejudice the exercise of any rights and remedies available to the Lender upon an Event of Default.

2.7(a) Classification of Accounts:

In case of non-payment of EMI on due dates loan account shall be classified in the category of Special Mention Account (SMA) followed by the classification of Non-Performing Account (NPA) if remain unpaid for consistent overdue for more than 90 days as per the table below:

Categories	Period of Classification
SMA-0	0-30 days
SMA-1	31-60 days
SMA-2	61-90 days
NPA	90+ days

Also, once account gets classified as NPA (Non-Performing Account) remains in NPA (Non- Performing Account) until complete payment of all overdue EMI/PEMI gets paid in full. Which means to make an account “Standard” from “NPA” all unpaid overdue EMI/PEMI has to be paid in full and partial repayments will have no impact on the change of loan classification.

For example:

Example: If due date of your availed loan account is November 07, and full/complete accrued dues are not received before the lending institution runs the day-end process for this date, the date of overdue shall be November 07 and loan will be classified as SMA-0.

If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on December 07 i.e., upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be December 07 and

Similarly, if your account continues to remain overdue for another 30 days, it shall get tagged as SMA-2 upon running day-end process on January 06 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on February 05.

2.8 Pre-payment:

- (a) The Lender may, in its sole discretion and on such terms as to charges etc., as it may prescribe, permit acceleration of EMIs or prepayment at the request of the Borrower.
- (b) The policy on prepayment charge shall comply with the guidelines issued by National Housing Bank (NHB) from time to time.
- (c) On receipt of request of prepayment, the Lender shall draw up a foreclosure statement which shall include all charges/ dues/ interests/ payments (principal and interest) as due and payable by the borrower which shall be paid by the borrower without protest.
- (d) If the Borrower so wishes he may request the Lender for part prepayment from time to time. The request of the Borrower shall be considered as per the rules of Lender.
- (e) The prepayment amount which shall be required to be paid by the Borrower on the concerned Due Date, shall be the amount specified by the Lender in the foreclosure statement, which shall be the aggregate of the Loan Amount, being prepaid, accrued Interest Rate thereon, Additional Interest and all other applicable Fees and Charges (if any) which are payable by the Borrower in respect of the Loan amount being prepaid.
- (f) In the event that a Prepayment is effected by the Borrower in respect of the entire outstanding balance due in respect of the Loan, in the manner and upon the terms and conditions provided for under this clause, the Borrower, shall be entitled to request the Lender to release the charge created over the Security and any other Assets, properties comprising part of the Security which may have been issued by the Borrower, under the terms of this Agreement. The Lender shall release the charge created over the Assets, on receipt of such request as per the policy of the company for **release of immovable property documents on repayment/settlement of loans** which can be referred from the website of the company.
- (g) Any notice of Prepayment as per the terms mentioned above, once given, shall be irrevocable, and the Borrower shall be bound to make the Prepayment of the amount(s) specified therein.

2.9 Commitment Charges:

The Borrower shall pay to the Lender a Commitment charge per annum at the rate as prescribed by the Lender from time to time on the principal amount of the Loan or any part thereof as the case may be, which shall not have been drawn and shall not have been cancelled by the Lender, as per the prevailing rules of the Lender from time to time. Commitment charges and the processing fees, once paid, will be non-refundable.

- 2.10 **Appropriation of payments:**
Payments due and payable under this Agreement and paid by the Borrower shall be appropriated in the following order namely:
- (a) PEMI;
 - (b) EMI;
 - (c) Interest on costs, charges, expenses and other dues;
 - (d) Costs, charges, expenses, incidental charges and other monies, that may have been expended by the Lender in connection with recovery;
 - (e) Penal Charges on defaulted amounts;
 - (f) Additional Interest on breach of any terms of the Agreement on the entire outstanding amount of the Loan;
 - (g) Commitment charge and fees;
 - (h) Principal amount of the loan.
- 2.11 **Liability of Borrower to be Joint and Several:**
The liability of the Borrower, if any, to repay the Loan together with Interest, etc. and to observe the terms and conditions of this Agreement and any other/s, document/s that may have been or may be executed by the Borrower, with the Lender in respect of this Loan or any other loan or loans is joint and several. The liability shall be co-extensive.
- 2.12 **Set-off and Counterclaim:**
All payments made by the Borrower under this Agreement shall be made without any deduction, set off or counterclaim other than any deduction which is required mandatorily under any law.
- 2.13 In case the Borrower is employed with a concern then upon the Borrower opting for any scheme or accepting any offer from his employer providing for any benefit for resigning or retiring from the service of the employer or upon the employer terminating his employment for any reason or upon the Borrower resigning or retiring from the services for any reason whatsoever, then notwithstanding anything to the contrary contained in this Agreement or any letter or document, the entire outstanding principal amount of the Loan including outstanding interest and other dues thereon shall be payable by the Borrower to the Lender from the amount(s) receivable by him from the employer under such scheme or offer, or any terminal benefit, as the case may be. Provided however, in the event of the said amount or amounts being insufficient to repay the said sums to the Lender in full, the unpaid amount remaining due to the Lender shall be paid by the Borrower in such a manner as the Lender may in its discretion decide and the payment will be made by the Borrower accordingly notwithstanding anything stated in article 2.4 and the Schedule. The Borrower hereby irrevocably authorizes the Lender to communicate with and receive the said amounts from his employer directly.
- 2.14 The Borrower will not be entitled to cancel the facility or refuse to accept disbursements or make withdrawals of/ under the Facility unless so agreed by the Lender and after due payment of cancellation charges by the Borrower, as may be levied by the Lender.

ARTICLE-3: COVENANTS FOR SECURITY AND SECURITY INTEREST

- 3.1 **Security Interest against payment of the Loan Amount**
- a. The Borrower agrees and undertakes that the principal sum of the Loan, interest, commitment and other charges and all other dues under this Agreement shall be secured by creation of the Security Interest over the Assets (“**Security**”) as may be considered appropriate by the Lender having the right to decide the place, timing and type of the Security including the manner and form of its creation and/ also of additional security if required that may be required now or hereafter any time during the pendency of this Loan/ or any other loan or loans granted by the Lender hereafter as may be considered necessary by the Lender to protect its interest and/ or to give effect to the transaction envisaged under this Agreement. The Borrower shall arrange/ create/ make available such security accordingly for payment of all the dues of the Borrower.
 - b. The Borrower undertakes to ensure that the value of the Property shall at all times during the currency of the Loan be sufficient to comply with the margin requirements intimated by the Lender, from time to time. The Borrower further agrees and undertakes that if the value of the Security is not sufficient to maintain the LTV requirements or if any Security furnished by the Borrower/Security Provider is found to be invalid or unenforceable or if the value of any Asset is incorrect or not proper, then the Borrower shall be directed to furnish additional Security as may be required by the Lender. Notwithstanding the above, in the event any asset is subsequently found to be of inferior value to that as declared by the Borrower in the Loan Application the Loan may be recalled / repayment of the Loan may be accelerated by the Lender with immediate effect.
 - c. The Borrower shall be required to create additional security in favour of the Lender, over such other properties or assets as may be acceptable to the Lender such that on creation of such additional security the LTV requirements are complied with, to the satisfaction of the Lender. If the Borrower fails to create the additional security, as provided for hereinabove, the same shall constitute an Event of Default, and the relevant provisions shall become applicable. To ascertain whether the LTV requirements are being met, the Lender shall be entitled to obtain a valuation of the Security from a valuer appointed by it. The Lender shall also be entitled to cause the Borrower to obtain such valuation from such valuer as it may deem fit. The charges, costs and expenses incurred in relation to any such valuation shall be borne by the Borrower.
 - d. The Security Documents evidencing the Security may be in such manner and form as the Lender may prescribe.
 - e. All Security Documents provided to the Lender in connection with the Loan Amounts shall remain a continuing Security and binding upon the Borrower and:
 - (i) The Security and the additional security shall be in addition to and not in derogation of any other security, which

the Lender may at any time hold in respect of the outstanding and shall be available to the Lender until all accounts between the Lender and Borrower in respect of the Agreement are ultimately settled and the Lender consents to give a discharge release in respect of the Security.

- (ii) Shall remain available to the Lender until and unless all the accounts between the Borrower and the Lender in respect of the loan are settled and a no dues certificate has been issued by the Lender.
- f. If this Agreement is terminated for any reasons, the Security in favour of the Lender shall continue until all the obligations to the Lender are repaid in full by the Borrower, and until such date, the Lender provides a definite confirmation on the same. This clause shall survive the termination of this Agreement for any reason whatsoever.
- g. The Borrower shall provide the Lender with a non-encumbrance certificate from an independent agency/ entity/ advocate towards the clear and marketable title of the Property being provided to the Lender.
- h. In case the Borrower does not create/ execute the Security Interest within the time so specified or extended, the Lender shall be entitled to charge Additional Interest at the rate of 2% p.a over and above the prevailing rate on the loan amount so long as the said Security Interest is not created/ executed/ extended to the satisfaction of the Lender. The additional interest payable by the Borrower under this Article shall be in addition to any other additional interest payable by the Borrower in respect of delay in payment of EMI etc in terms of Article 2.6.
- i. The Borrower shall execute a duly stamped Demand Promissory Note in favour of the Lender for the amount of the Loan with interest thereto and also a Power of Attorney(s) in favour of the Lender.
- j. The Borrower shall procure irrevocable and unconditional guarantee(s) of individual(s) and/ or body corporate(s) for the due repayment of the Loan and other dues payable under this Agreement by the Borrower, in the form prescribed by the Lender. The guarantee agreement shall be executed along with this Agreement and the liability of the guarantors shall be co-extensive. The Borrower has/ shall make out a good and marketable title to the Assets to the satisfaction of the Lender. The Borrower shall give/ obtain a declaration to the effect that the title to the Assets is clear and free from reasonable doubts and encumbrances and agree to indemnify and keep the Lender saved, harmless and indemnified against any risks, losses, costs etc. thereto including representations made under this Agreement.
- k. The Borrower agrees to execute any such Security Documents, agreement/s, undertaking/s as require by the Lender.
- l. The Borrower assures the Lender that title to the Assets which are owned by the Borrower as on date are clear and marketable and title of the borrower to those other assets which may be acquired in future shall always be clear and marketable and that such assets are and shall always be absolutely unencumbered and free from any liability whatsoever. The Borrower undertakes to furnish to the Lender a report/ certificate from a competent consultant/ lawyer, approved by the Lender with respect to the clear and encumbered title to each of the Assets of the Borrowers.
- m. Before any Disbursement of the Loan, the Borrower shall conduct a title search of the Property offered as Security, at its cost and shall submit to the Lender such title search to the satisfaction of the Lender. The Borrower shall provide to the Lender the valuation report of the Property offered as Security to the satisfaction of the Lender. By providing such valuation report and title search report, the Borrower confirms to the Lender that the valuation/title of the Security is true and correct and the Lender can rely on the same for assessing the LTV.
- n. The Borrower authorises the Lender to treat any security furnished by the Borrower, under any other agreement with the Lender, or any security furnished to the group companies, Affiliates etc. of the Lender as a Security offered as per terms of this Agreement and the Security offered herein shall be Security for any other loan granted to the Borrower by the Lender's group companies, Affiliates etc.
- o. The Lender shall register its charge upon the Assets in the CERSAI registry as per the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 or any amendment or reenactment thereof.
- p. If the Borrower is a body corporate then the charge upon its Assets shall be registered in favour of the Lender with the Registrar of Companies in accordance with the Companies Act, 2013 or any other law for the time being in force within the prescribed time and furnish the Certificate of Registration to the Lender. The charges/ expenses incurred for the registration of charges, stamp duty shall be borne by the Borrower, and in the event they are incurred by the Lender, the same shall be reimbursed by the Borrower.

ARTICLE-4: CONDITIONS PRECEDENT TO DISBURSEMENT OF THE LOAN

- 4.1 The Lender's obligation to extend the Loan to the Borrower is subject to the condition precedents mentioned in this Agreement. Further, the Lender shall have received, in form and substance satisfactory to the Lender, such documents, and completion of such other matters, as the Lender may reasonably deem necessary or appropriate, including, without limitation:
- (1) Borrower shall duly execute and deliver to the Lender this Agreement, and Loan Documents to which it is a party.
 - (2) Borrower shall duly execute/have executed and deliver/delivered to the Lender each of the Security Documents and demand promissory note and such other documents as required by the Lender in favour of the Lender as per terms of this Agreement and the Sanction Letter,
 - (3) **Utilization of Borrower's Contribution:**
The Borrower assures the Lender that he has, prior to receiving the disbursement of the Loan on this day has already utilized/ paid off his own contribution, i.e. the cost of the Property less the Lender's Loan. Necessary receipts, documents etc. towards own contribution have to be submitted to the Lender prior to disbursement.
 - (4) **Non-existence of Event of Default:** No event of default as defined in Article 7 shall have happened.
 - (5) **Evidence for Utilization of Disbursement:** Such Disbursement shall at the time of request therefore, be needed immediately by the Borrower for the purpose of purchase or construction or extension or improvement of the Property or any other asset as specified in the End Use of Funds letter, as the case may be, and the Borrower shall produce such evidence of the proposed utilization of the proceeds of the disbursement as is found satisfactory by the Lender.

- (6) **Extra-ordinary circumstances:** No extra-ordinary or other circumstances have come into existence which shall make it improbable/impossible for the Borrower to fulfill his obligations under this Agreement.
- (7) **Pending Legal Proceedings:** The Borrower shall furnish a declaration to the effect that there is no action, suit or proceedings against the Borrower and / or the Security pending before any court of Law, Tribunal, any quasi-judicial body or arbitration, which might affect the Borrower's ability to perform its obligation hereunder and no suit, action or other proceeding is pending in respect of the properties identified as Security and no adverse claims have been made and no notice for acquisition has been issued or received by any person Borrower in respect of the properties identified as Security.
- (8) The Borrower shall submit the following in the form and substance satisfactory to the Lender:
 - (i) Evidence in support that all consents, approvals, permissions, required for availing of loan and if any for creation of the Security Interest have been obtained.
 - (ii) Evidence of a duly stamped and registered agreement to sell/ sale agreement (as the case maybe) of the Property, in favour of the Borrower or any one of the Borrower as the case may be, and the necessary Security can be created in favour of the Lender in the form and manner as suggested by the Lender;
- (9) There shall not be any Encumbrance on the Security for the Loan other than those permitted by the Lender. Further, valuation of the Security shall also meet the LTV as per terms of the Sanction Letter.

ARTICLE-5: GENERAL CONVENANTS OF THE BORROWER

5.1 Particular Affirmative Covenants

- (a) **Utilization of loan:** The Borrower shall utilize the entire loan for the purpose as indicated in the Loan Application or in end use letter and for no other purpose whatsoever.
- (b) **Purchase/Construction:** The Borrower covenants that he shall complete the purchase/ Construction/extension/improvement of the Property as indicated by him in the Sanction Letter or otherwise and obtain and produce to the Lender the purchase documents or the completion certificate issued by the concerned Statutory Authority, Municipal Corporation, Municipality or any other applicable competent authority, as the case may be.
- (c) The Borrower agrees that the Lender or any person authorized by it shall have free access to the Assets for the purpose of supervising and inspecting the progress of Construction and the accounts of Construction to ensure proper utilization of the Loan. The Borrower further agrees that the Lender shall have free access to the Assets for the purpose of inspection at any time during the pendency of Loan. The Borrower agrees to obtain such authorizations from the owner of the Assets as the case may be.
- (d) The Lender will be given written notice on completion of Construction. The Borrower, after obtaining the completion certificate as well as occupation certificate if any, from the relevant authorities shall furnish the true copy thereof to the Lender.
- (e) **Notify causes of delay:** The Borrower shall promptly notify any event or circumstances which might operate as a cause of delay in the commencement or completion of the Construction/ purchase of the Property, as applicable.
- (f) **Maintenance of the Assets:** The Borrower shall maintain the Assets in good order and condition and will make all necessary repairs, additions and improvements thereto during the pendency of the Loan which shall not amount to alterations, modifications in the structure of the secured asset.
- (g) Where the Loan has been availed of for repayment of an existing loan against any Property then the Borrower shall simultaneously or within a maximum period of 15 days from disbursement of the Loan get the previous security interest removed from the records of the appropriate registering authority and have the security, if any, in favour of the Lender registered with such registering authority.
- (h) **To notify change in employment etc.:** The Borrower shall notify any change in his employment, business or profession within seven days of the change.
- (i) **Compliance with rules etc. and payment of maintenance charges etc:** The Borrower shall duly and punctually comply with all the terms and conditions for holding the Assets and all the rules, regulations, bye-laws etc., of the concerned Co-operative Society, Association, Limited Company or any other competent authority, and pay such maintenance and other charges for the upkeep of the Assets as also any other dues etc., as may be payable in respect of the Assets or the use thereof. The Borrower shall also comply with the requirements under Income Tax Act, 1961 or any other laws or rules or regulations in force from time to time.
- (j) **Property Insurance:**
 - (i) The Borrower shall, for so long as any portion of his dues is outstanding/ payable to the Lender, fully insure, and keep the Property so insured, at his/ her/ its/ their own costs in the joint names of the Borrowers and the Lender, with the name of the Lender recorded as 'the Beneficiary' and such insurance for the Property shall be standard comprehensive package policies covering all comprehensive risks, including but not limited to earthquake, riot, civil commotion, floods and such additional risks/ liability to which the property is normally exposed. The insurance cover has to be with insurer, preferably, approved by the lender, or any other insurer for a value as required by Lender.
 - (ii) In the event of any failure by the Borrower to obtain such insurance policy and/ or to furnish proof of the same to the Lender, the Lender may (but shall not be bound to) insure the Property at the Borrower's cost. If the Lender pays the insurance premium, or any other monies, for/ towards the insurance of the Property, the Borrower shall reimburse all such sums paid by the Lender. If the Borrower fails to reimburse the amount of insurance premium so paid by the Lender, the same shall be deemed to be a default on the part of the Borrower and the Lender may at its discretion recall the whole outstanding amount and the Borrower shall be bound to pay such sum of money as demanded by the Lender.
 - (iii) In the event of any loss or damage to the Property for any reason whatsoever, the first claim on any insurance proceeds shall be that of the Lender, which proceeds shall be applied by the Lender towards the dues of the Borrower in terms hereof or such other manner as deemed fit by the Lender. Further, and in the event of any total loss/ damage to the Property, if the claim amount settled by the insurance company is less than the total dues of

the Borrower outstanding and payable by the Borrower, the Borrower shall immediately pay all the balance outstanding amounts of his dues to the Lender. The Lender is irrevocably authorized and entitled at its sole discretion to act on the Borrower's behalf, at the Borrower's sole risk and cost, and to take all necessary steps, actions and proceedings as the Lender deems fit to safeguard its interests:

- a) to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Borrower, and
 - b) to receive all monies payable under any such insurance or under any claim made there under and to give a valid receipt therefore, and apply such proceeds in accordance with the terms hereof or such other manner as deemed fit by the Lender.
 - c) The Borrower shall not be entitled to raise any claim against the Lender in case the Lender chooses not to take any action in relation to the insurance claims or proceedings and/ or on the grounds that a larger sum or amount of claims/ settlement might or ought to have been received or be entitled to dispute the liability of the Borrower for the balance amount of his dues remaining due after such adjustment.
 - d) The Borrower shall keep alive, the Insurance Policy/ Policies assigned in favour of the Lender by paying on time the premium as they fall due and produce the receipts to the Lender whenever required.
 - e) The Lender 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 in any manner as it may deem fit notwithstanding anything to the contrary contained in this Agreement or any other document.
- (k) **Life/ Health Insurance:** The Borrower along with all the Co-Borrower(s) may avail life and/or health insurance cover for themselves during the pendency of the Loan. The Borrower shall take such insurance cover from the insurer of their choice without requiring prior approval of the Lender. The Lender shall be made the sole beneficiary under such policies. In case, the Borrower chooses to avail the insurance cover from the Lender the same shall be done by introducing the Borrower as a member under a Group Term Life Insurance Policy with the Lender as the Master Policy Holder. The terms and conditions of such Group Term Life Insurance Policy shall be laid down by the group manager. The decision regarding admission of the Borrower into such policy and any liability in respect of any claim or demand raised under such policy would solely rest with the insurance company, providing the Group Term Life Insurance Policy.
The Borrower shall not hold the Lender liable for any claim under such policies and the Lender shall only act as a facilitator for insurance under such policy.
- (l) **Loss damage by uncovered risks:** The Borrower shall promptly inform the Lender of any loss or damage to the Assets which the Borrower may suffer due to any force majeure or act of God, earthquake, flood, storm, tempest or typhoon, etc. against which the Assets may not have been insured.
 - (m) **Charges and encumbrances:** The Borrower has disclosed that there are no mortgages, charges, lis pendens or liens or other encumbrances or any right of way, light or water or other easements or right of support on the whole or any part of the Assets.
 - (n) The Borrower shall scrutinize and satisfy himself with the building plan, commencement certificate and all the requisite permissions pertaining to the Property and that the construction is as per the approved plan and of a satisfactory quality. The borrower shall conduct its own due diligence with respect to the credit worthiness of the builder and the project.
 - (o) If the Borrower is other than an individual, shall allow the Lender or any of its authorized representatives to inspect its books of accounts and such other documents, papers and records as may be deemed fit and proper by the Lender.
 - (p) If the Borrower is other than an individual, shall promptly notify the Lender of a change in the location of its office/ registered office, name, main business activity of the Borrower.
 - (q) The Borrower declares that all the amounts including the amount of own contribution paid/payable in connection with the Property, as well as any security for the Loan, is/shall be through legitimate source and does not/shall not constitute an offence of Money Laundering under The Prevention of Money Laundering Act, 2002.

5.2 Additions, Alterations:

The Borrower shall take prior permission from the Lender before making any additions to or alterations in the Assets, which might be proposed to be made during the pendency of the Loan. Any change in the Assets shall only be after the written prior consent of the Lender. Failure to comply shall be deemed as an event of default entitling the Lender to terminate this Agreement and the Lender shall be entitled to recall the Loan.

- 5.3 The Borrower shall not hold the Lender responsible for any delay in the Construction/ giving possession of/ completion of the Property(ies) by the developer/ promoter/ builder/ society to the Borrower(s), or for quality, condition or fitness of Construction of the property even if the Lender may have approved/ sanctioned any loans to such developer/ promoter/ builder/ Development Authority or given to Borrower(s) any information about such promoter/ property builder/ Development Authority.
- 5.4 On the Lender's request the Borrower shall do, perform and execute any such acts, deeds, matters and things as the Lender may consider necessary in respect of this agreement.
- 5.5 In case Borrower commits default in payment or repayment of principal amount of the Loan or interest thereon, the Lender will have unqualified right to disclose or publish the details of default in such manner and medium as the Lender may in its sole discretion think fit.
- 5.6 Litigation: That the Borrower is not a party to any litigation of a material character and that the Borrower is not aware of any facts likely to give rise to such litigation or to material claims against the borrower.

- 5.7 The Borrower shall bear all costs and expenses in relation to the stamp duty and also shall make 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 Lender or in relation to property documents of security.
- 5.8 The Borrower shall at all times during the continuance of the Loan, maintain the LTV on the Security as indicated in the Sanction Letter or as may be communicated by the Lender from time to time.
- 5.9 The Borrower agrees, accepts and acknowledges that the Lender's standard internal LTV criteria and requirements are at all times determined by the Lender, in its discretion, based on the Lender's internal policies prevailing from time to time.
- 5.10 The Borrower, if it is a company, should not induct on its board a person whose name appears in the list of Wilful Defaulters and that in case, such a person is found to be on its board, it would take expeditious and effective steps for removal of the person from its board.
- 5.11 The Borrower shall share all information relating to financing assistance availed from the Lender to the Borrower including but not limited to the nature and amount of debt with information collection bodies constituted under the Insolvency and Bankruptcy Code, 2016 ("IBC"), in a manner as may be required by the IBC and the Rules therein & update the information from time to time.
- 5.12 [The Borrower hereby agrees that it shall implement all terms and conditions specified by the Lender pursuant to the Reserve Bank of India's Framework for Revitalising Distressed Assets in the Economy dated 30th January, 2014; or any scheme formulated by Reserve Bank of India (including the Strategic Debt Restructuring Scheme dated 8th June, 2015) or any other powers or rights vested with the Lender or joint lenders forum by the RBI from time to time and in this regard shall issue necessary approvals/authorisations/resolutions (including special resolution by the shareholders), as required under extant laws/regulations, to enable the Lender's invocation of Strategic Debt Restructuring.]¹
- 5.13 The Borrower undertakes that the Loan shall not be used for any of the following purpose:
- (a) Illegal & antisocial activity;
 - (b) Speculative investment in real estate;
 - (c) Investment in securities, debentures or the stock markets;
 - (d) Money lending activities;
 - (e) Speculative activity not mentioned above; or
 - (f) For any other activities for which the Loan is not extended.
- 5.14 The Borrower further agrees, confirms, and undertakes that the purpose of use of funds under the Loan shall not be changed in any manner during the tenure of the Loan; or that such change in purpose shall take place only with the prior written permission of the Lender.
- 5.15 The Borrower understands that the Borrower will be liable in case of the funds being diverted for any purpose other than as specified in this Agreement.
- 5.16 **Negative Covenants**
Unless the Lender shall otherwise agree
- (a) **Possession:** The Borrower shall not let out or otherwise howsoever part with the possession of the Assets or any part thereof.
 - (b) **Alienation:** The Borrower shall not sell, mortgage (except as provided for in this Agreement), lease, surrender or otherwise howsoever alienate the Assets or any part thereof.
 - (c) **Agreements and Arrangements:** The Borrower shall not enter into any agreement or arrangement with any person, institution or local or Government body for the use, occupation or disposal of the Assets or any part thereof during the pendency of the Loan.
 - (d) **Change of use:** The Borrower shall not change the use of the Assets. The Lender, without prejudice to its right to terminate the Agreement and/ or enforce any other action under this Agreement and under any other applicable law, shall be entitled to charge, in its discretion, such higher rate of interest it might fix in the circumstances of the case as per its prevailing policy (ies)/rules. This may also be considered as an event of default and the Lender may recall the Loan.
 - (e) If the Borrower is a company or a LLP or a partnership firm the Borrower shall not
 - (i) enter into a reconstruction or arrangement or merge or amalgamate with any other company or body corporate or enter into any partnership without prior written consent of the Lender.
 - (ii) amalgamate or merge the Assets with any other adjacent Assets nor shall he create any right of way or any other easement on the Assets.
 - (iii) make any change in the constitution, management or existing ownership or control or share capital of the Borrower without prior written consent of the Lender.
 - (iv) not be alter/ change the object of the same without prior written consent of the Lender.
 - (f) **Loan, Surety or Guarantee:** The Borrower shall not obtain any other loan/ credit facility from any bank/ financial institution etc. or repay any such loan, advance etc. or stand surety for anybody or guarantee the repayment of any loan or the purchase price of any asset. The Borrower shall not avail any loan/ credit facility from any other bank/ financial institution etc.
 - (g) **Leaving (India):** Where the Borrower has to, during the tenure of the loan leave (India) for employment or business or for long term stay abroad, he shall give prior written notice to the Lender and shall at the discretion of the Lender

- prepay the entire loan and other dues under this Agreement or pay the same as per the directions of the Lender.
- (h) **Closure of Account:** The Borrower shall not close the bank account against which any cheques/IRCs/ECS have been issued to the Lender in respect to repayment of dues under this Agreement.
- (i) **Further Charge:** The Borrower shall not create or permit the creation of any charge, lien or other encumbrances on the Assets.
- (j) The Borrower shall not execute any documents such as power of attorney or any other similar document or deed in favour of any person to deal with the Assets in any manner.
- (k) The Borrower shall not affect any oral or any other partition of the Assets or enter into any family arrangement.
- (l) Propose any resolution seeking approval of the Board for filing application under IBC, either directly or indirectly.

5.17 Change in address:

The Borrower shall forthwith inform the Lender as regards any change in his address for service of notice or change in his residence.

5.18 Additional Covenants:

The Borrower shall:

- i. In the event the Borrower fails to pay when due any sum which it may owe to the Lender and the Lender resorts to legal proceedings to recover such sums, the Lender shall be entitled to recover from the borrower all advances, charges, costs and expenses including legal fees, incurred or paid by the Lender in enforcing any such right, or remedy conferred by this Agreement (or in the enforcement thereof). All such sums shall become a part of the outstanding dues hereunder and shall be paid to the Lender by the Borrower immediately and without delay and demur.
- ii. In the event that a Loan is a balance transfer and the mortgaged property/ secured asset is a continued security from the earlier loan, the date of mortgage created/ security/ lien created against the earlier loan shall be deemed to be the date of mortgage against the present Loan for all purposes.

5.19 Information Covenants:

- a) Promptly give written notice to the Lender of:
 - (i) Any dispute which might arise between the Borrower and any person or any governmental body or authority relating to or concerned with the said Asset.
 - (ii) Any distress or execution being levied against the said Asset.
 - (iii) Any material circumstances affecting the ability of the Borrower to repay the Loans in the manner stipulated hereunder.
- b) The Borrower shall notify the Lender the following (as may be applicable):
 - (i) any action or steps taken or legal proceedings started by or against it in any court of law for its winding-up, dissolution, administration or reorganization or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Borrower or of any or all of the Security;
 - (ii) any litigation, arbitration, administrative or other proceedings initiated or threatened against the Borrower or its assets;
 - (iii) any material loss or damage which the Borrower may suffer due to any event, circumstances or act of God;
 - (iv) any change in its residential status/change of address of any party to the Loan (eg: Borrower or the Guarantor) within 15 (fifteen) days of such change;
 - (v) any change in the Borrower's employment, business or profession;
 - (vi) if the Borrower is declared as the Wilful Defaulter/ Non-Cooperative borrower by a bank, a financial institution, a non-banking financial company or a housing finance company;
 - (vii) In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Lender informed about the financials of his business on a regular basis as may be notified to him by the Lender.

ARTICLE-6: BORROWER'S WARRANTIES

6.1 The Borrower hereby warrants and undertakes to the Lender as follows:

- a) The Borrower is eligible and has full power and authority to execute, deliver and perform his/its obligations under this Agreement.
- b) The Borrower, if a body corporate warrants that:
 - (i) It is fully competent to borrow the Loan and the borrowing is in consonance with the provisions of the Companies Act, 1956 or Companies Act 2013, or Limited Liability Partnership Act, 2008 or Indian Partnership Act, 1932 or its Memorandum and Articles of Association or Partnership Deed or Trust Deed or Bye Laws and that there is no statutory bar upon it to borrow.
 - (ii) The Borrower shall maintain its corporate existence and obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorizations, approvals, licenses and consents required to enable it to lawfully carry on its business
- c) Confirmation of loan application: The Borrower confirms the accuracy of the information given in the loan application made to the Lender and any prior or subsequent information or explanation given to the Lender in this behalf. The Borrower confirms that all the photocopy/ true copies of documents submitted for the purpose of the Loan are genuine. The Lender may at any time call or require verification of originals of any such copies.
- d) Compliance of 'Know Your Customer Policy' (KYC Policy): That the Borrower is fully aware of the 'KYC Policy' and confirms that, the information/ clarification/ document/ signage provided by him on his identity, age, address, signature,

photograph, bank account, occupation, income and transaction and all other material facts are true and correct & that

- the transaction, etc. are bonafide as per law. The Borrower further confirms that he has disclosed all facts/ information as are required to be disclosed for the adherence and compliance of the provisions related to the KYC Policy.
- e) Public schemes affecting the Borrower's Assets: That the Borrower's Assets 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.
 - f) Infringement of local laws: That no suit is pending in the Municipal Magistrate's Court or any other Court of Law in respect of the Assets where security interest has to be created with the Lender nor has the Borrower been served with any notice for infringing the provisions of the Municipal Act or any Act relating to local bodies or Gram Panchayats or Local Authorities or with any other process under any of these Acts.
 - g) Disclosure of facts: That the Borrower shall disclose all facts relating to the Assets to the Lender.
 - h) Due Payments of public and other demands: That the Borrower has paid all public demands such as Income Tax and all 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) It shall be the Borrower's obligation to keep himself/itself acquainted with the policy (ies)/ rules of the Lender, herein referred to, in force from time to time.
 - j) That all the necessary approvals, for availing the loans and creating the Security Interest have been obtained
 - k) That Borrower is entitled and empowered to borrow the Loan, provide Security Documents 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 enforceable in accordance with their respective terms.
 - l) That he is fully aware of the fact that dishonor of a cheque/ ACH or stopping payment of the cheques/ ACH is civil wrong and also constitutes criminal offence.
 - m) To make good all payment(s), expense(s), fee(s), cost(s), duty (ies), charge(s) etc. as and when incurred by the Lender on behalf of the Borrower.
 - n) That he/it shall not, at any stage, take a plea that the Assets are the only assets/property of the Borrower.
 - o) Awareness and Compliance of National Building Code (NBC): The Borrower confirms that he/ she/ it is aware of the requirement of specification under National Building Code applicable for structural safety aspects against natural calamities.
 - p) The Borrower, its [directors or promoters or partners or guarantors or Affiliates]² do not figure in any list of willful defaulters circulated by Reserve Bank of India/ Transunion Credit Information Bureau (India) Limited ("TCIBIL") or any other Credit Information Companies or the caution list of the Export Credit Guarantee Corporation or the specific approval list or COFEPOSA defaulters list or the Lender's defaulters list or the defaulter list of any bank or financial institution or any other government authority [and no director of the Borrower is disqualified under Section 164 of the Companies Act, 2013]³. [The Borrower confirms that none of the directors / partners / trustees / members of the Borrower are directors / partners / trustee / members in any company / firm / trust / society / association of persons which has been identified as a willful defaulter by the Reserve Bank of India/CIBIL or any regulatory authority.]⁴ [The Borrower shall not induct a person in the capacity of director / promoter/partner/trustee/member who is a director / partner / member / trustee of a company / firm / association of persons / trust/society as the case may be, identified as willful defaulter. In the event such a person is found to be a director / partner / member / trustee of a company / firm / association of persons / trust, as the case may be, identified as willful defaulter, the Borrower shall take expeditious and effective steps for removal of such person.]⁵
 - q) The Borrower is aware of and complies with the requirements of all Environmental laws and standards applying [to the Borrower's property and]⁶ to the conduct of the Borrower's business.
 - r) The Borrower is not in violation of the Prevention of Money Laundering Act, 2002 or any other applicable anti - money laundering laws.
 - s) The Borrower acknowledges that has obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act, 2006 and similar legislation, guidelines and programs (the "AML Requirements") to amongst other things, ensure that it/he:
 - does not provide certain products to any person unless that person has been identified in accordance with the AML Requirements;
 - does not open or conduct any transaction on an account unless the person on whose instructions it acts has been identified in accordance with the AML Requirements; and
 - monitors certain types of transactions and reports certain types of activity.
- (iii) The Borrower is of good financial standing and in a position to meet its ongoing obligations and:
 - has not been served with (or threatened with) a notice of insolvency or bankruptcy; and
 - no petition has been filed or action initiated by the Borrower or any of the Borrower's creditors or any outside party towards the Borrower's insolvency or bankruptcy under the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 or any other similar legislation in force
 - (iv) The Borrower shall conduct its business with due diligence and efficiency and have due regard to the principles of business in the conduct of its business.
 - (v) The Borrower will comply with the provisions of the Companies Act 2013, or Limited Liability Partnership Act, 2008 or Indian Partnership Act, 1932 or its Memorandum and Articles of Association or Partnership Deed or trust deed or society bye laws as maybe applicable as and when they are to be complied with and in particular, in regard to the raising of the said Loan from the Lender.

- (vi) It will carry out such alterations to its Memorandum and Articles of Association / Partnership Deed / Trust Deed / Bye laws as may be deemed necessary in the opinion of the Lender to safeguard its interests arising out of this Agreement.

6.2 **Statement of Income:** The Borrower undertakes that it shall of his/its own accord send to the Lender a statement of his/its income, every year with effect from the date hereof. However, the Lender shall have the right to require the Borrower to furnish such information/documents concerning his employment, trade, business, profession etc. at any time and the Borrower shall furnish such information/ documents immediately.

ARTICLE-7: EVENTS OF DEFAULTS & REMEDIES OF THE LENDER

7.1 The occurrence of any or all of the following events shall constitute events of default:

- (a) **Defaults in Payment:** Default shall have occurred in case of failure to make payment of EMIs/ PEMIs and/ or Interest and/ or in payment of any other amounts due and payable to the Lender in terms of this Agreement and/ or in terms of any other Agreement/s, Loan Documents, Security Documents that may be subsisting or that may be executed between the Borrower and the Lender hereafter.
- (b) If the Property is used by the Borrower for any purpose other than the purpose specified in this Agreement without the prior written consent of the Lender.
- (c) 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 agreement/ s between the Borrower and the Lender in respect of this Loan and/ or any other loan and such default shall have continued over a period of 30 days after notice thereof shall have been given to the Borrower by the Lender.
- (d) If wrong/fraudulent documents submitted for availing the Loan facility.
- (e) Security, if any, created and/ or to be created by the Borrower in favour of the Lender in connection with the repayment/ payment of the Loan Amount/ outstanding Loan amount is found to be insufficient/ incorrect in value or such, over which charge/ security cannot be created or if created found to be insufficient subsequently up to the satisfaction of the Lender, the Lender may mandate the Borrower to furnish additional security within such period as directed by the Lender. If the Borrower fails to furnish/ provide such security/ additional security within such period as directed by the Lender, the Lender may at its sole discretion treat such default as an event of default under this Agreement.
- (f) Supply of Misleading Information: Any information given by the Borrower in his loan application to the Lender for financial assistance is found to be misleading or incorrect in any material respect or any warranty referred to in Article 6 is found to be incorrect.
- (g) Depreciation of Asset: If any Asset on which the Security for the Loan is created, depreciates in value to such an extent that in the opinion of the Lender further security to the satisfaction of the Lender should be given and such security is not given, despite being called upon to do so.
- (h) Sale/ Disposal/ Charge/ Insurance of Assets: If an Asset or any part thereof is let out, given on leave and license sold, disposed of, charged, encumbered or alienated.
- (i) Failure to furnish information/ documents: If the Borrower fails to furnish information/ documents as and when required by the Lender.
- (j) **Unlawful Purpose:** The Borrower applies and/or utilizes the Loan for any purpose which is considered and/or deemed to be unlawful, illegal or contravenes the provisions of any applicable laws, rules and regulations.
- (k) **Security Interest becoming unenforceable:** If any Security Interest or guarantee, permission, authorization, issued by the competent authorities with respect to the legality of the security or any construction, as provided under this Agreement becomes unenforceable or is withdrawn or is challenged by the Borrower or any other person for any reason whatsoever.
- (l) Dishonor of any postdated cheques/ cheque/ ACH provided under this Agreement or any instructions given by the Borrower for stopping payment of any postdated cheques/ cheques/ ACH under this Agreement or instructions to the Lender not to deposit any postdated cheques/ cheques/ ACH.
- (m) If any security to the facility becomes infructuous or is challenged by the Borrower or some other person.
- (n) Divorce/ marital dispute: Where the loan is given jointly to husband and wife and if divorce/ marital dispute occurs between them, the same may be considered as event of default at the sole discretion of the Lender.
- (o) Inability to pay debts/ Insolvency in case of a company:
 - (i) If there is reasonable apprehension that the Borrower is unable to pay his debts or has admitted in writing his inability to pay his debts as and when these mature or any recovery proceedings or any insolvency proceedings have commenced/ instituted against the Borrower.
- (p) If the Borrower or Security Provider commits any act of bankruptcy, insolvency, dissolution, suspends payment to any of its creditors, or if any petition of bankruptcy or winding up or insolvency or dissolution is filed by or against the Borrower or Security Provider.
- (q) If any insolvency proceedings are admitted and initiated by an adjudicating authority or any creditor under the Insolvency and Bankruptcy Code, 2016.
- (r) If any other financial institution (s)/ bank(s) or non-banking financial companies with whom the Borrower has entered into agreements for financial assistance have refused to disburse loan(s) or any part thereof or have recalled its/ their loan(s) under their respective loan agreement(s).
- (s) **Change in constitution:** Any change in the constitution of the partnership firm or LLP with regard to the partners and their shares in Profit and Loss at the time of grant of the loan and any changes in the names and shares made subsequently without the prior approval of the Lender. Similarly, in the case of company, any change in the management control by the resignation of some directors and the induction of other directors and/ or any change in the shareholding pattern of the subscribers without the prior approval of the Lender.
- (t) The Borrower agrees and acknowledges that the occurrence of any default by the Borrower under any agreement

- entered into by the Borrower with any other bank and/ or financial institutions including the Lender shall constitute an event of default under this Agreement and vice versa.
- (u) If any execution, attachment or distress or legal process is levied against or an encumbrance is enforced against:
 - (i) The Assets or any part thereof and/or any proceedings are taken on commenced for recovery of any dues from the Security Provider against the Security
 - (ii) The whole or any material part the property, undertaking or asset of the Borrower.
 - (v) **In case the Borrower is an employee:** The Borrower opts for any scheme or accepts any other scheme from the employer providing any benefit or resigning or retiring from the employment prior to superannuation, or upon the employer terminating the Borrower's employment for any reason, or upon the Borrower resigning or retiring from the service of its employer for any reason whatsoever.
 - (w) The Borrower or the Security Provider commits any breach of the terms and conditions of this Agreement.
- 7.2 **Notice to the Lender on the happening of an Event of Default:**
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 occurred under this Agreement, it shall be the obligation of the Borrower to forthwith notify/ give the Lender notice thereof in writing specifying such event of default and thereupon the entire principal amount of loan together with interest and all other amounts shall become due and payable forthwith and the Lender shall be entitled to enforce the Security Interests and recover the Loan with interest and all other amounts due and payable under this Agreement.
- 7.3 If one or more of the events specified in "events of default " shall have happened, then, the Lender, by a written notice to the Borrower may declare that the principal, all accrued interest and all other amounts payable by the Borrower in terms of this Agreement and/ or any other agreement/ s document/ s subsisting between the Borrower and the Lender, shall become due and payable and upon such declaration the same shall become due and payable forthwith and the Security Interest created in favour of the Lender for the Loan shall become enforceable.
- 7.4 Upon the occurrence of any one or more of the "events of default ", the Lender through its officers, agents, attorneys, nominees etc. shall have the right under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (without prejudice to any other rights under this Agreement or under any applicable law) to take anyone or more than one of the following actions without specific intervention of the Court or any Court order:
- (a) Terminate/cancel the Loan and declare all obligations immediately due and payable, and/or;
 - (b) Stop advancing money or extending credit for Borrower's benefit under this Agreement or any other agreement between the Borrower and the Lender, and terminate the right of the Borrower to avail of or make Disbursements from the Loan, and/or;
 - (c) To enforce all or any of the Security provided/ furnished by the Borrower as Security Interest for the payment of the dues under this Agreement or deemed to be the Security Interest under this Agreement and/or;
 - (d) The Lender shall be entitled to sell/ transfer/ dispose off/ assign the Assets, either by public auction, tender, private treaty or otherwise howsoever. The Borrower shall, however, be liable for deficiencies if any and the Lender shall be entitled to proceed against the Borrower for such deficiency (ies). In case there is any surplus after adjusting the dues of the Lender, the same shall be paid to the Borrower and / or;
 - (e) [Convert, outstanding amount of the Loan, either in part or full and whether the same is due or not, into fully paid-up equity voting shares of the Borrower as a consequence of Event of Default which remains subsisting post the expiry of the relevant cure period at the valuation determined per applicable law or in accordance with the Strategic Debt Restructuring Scheme (SDR) framed by Reserve Bank of India]⁷ and/or;
 - (f) Take any action and proceed under any applicable law or statute.
- 7.5 The Borrower shall not be entitled to raise any objections regarding the manner and/ or the regularity of sale, transfer etc. and/ or auctions made by the Lender, nor shall the Lender be liable/ responsible for any loss that may be occasioned from the exercise of such power and/ or may arise from any act or default on the part of any broker or auctioneer or other person or body engaged by the Lender for the said purpose.
- 7.6 The Lender shall be at liberty to recover the amounts due from the Borrower in the aforesaid events of default by proceeding against the Borrower with or without attempting to take/ possess/ sell etc. the Security Interests provided by the Borrower.
- 7.7 The Lender shall be entitled to enforce the mortgage security in an event of default.
- 7.8 Notwithstanding above in the event any Asset is subsequently found to be of inferior value to that as declared by the Borrower in the Loan Application, the Loan may be recalled/ repayment of the Loan may be accelerated by the Lender with immediate effect.
- 7.9 It is hereby clarified that the remedies referred to above shall be in addition to and without prejudice to any other remedy available to the Lender either under this Agreement, or under any other agreement, or in law.
- 7.10 Neither the Lender nor its agents, officers or nominees shall in any way be responsible or liable to the Borrower for any loss, damage, depreciation, limitation that the Borrower/ the Security Interests may suffer on account of any of the aforesaid actions of the Lender or on account of the exercise/ non-exercise of the rights, powers or remedies available to the Lender.
- 7.10.1 **Expenses of preservation and collection:**
All costs incurred by the Lender after an event of default have occurred in connection with:
- (a) The preservation of the Assets including the Property.
 - (b) The collection of amounts due under this Agreement shall be charged to the Borrower and reimbursed by the Borrower as the Lender shall specify.
- 7.11 **Evidence of Debt:**
The records and accounts maintained by the Lender in its ordinary course of business shall be prima facie proof for the due amounts under this Agreement. A certified copy of the statement of account by an officer of the Lender stating the amount due at any particular time shall be prima facie evidence against the Borrower in respect of payments due.
- 7.12 **Communication with third party, etc.:**
In the event of default, the Lender shall be entitled to communicate, in any manner it may deem fit, or with any person or persons with a view to receiving assistance of such persons in recovering the defaulted amounts. Also, representatives of the

- Lender shall be entitled to visit any place of work of the Borrower.
- 7.13 Without prejudice to the rights conferred in the Lender under Article 7.1 above, upon occurrence of an Event of Default, the Lender shall have all the rights conferred on secured creditors under any law including but not limited to the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 or any amendment or reenactment thereof.
- 7.14 It be noted by the Borrower that the list of events of defaults is only suggestive and not exhaustive. The Lender in its sole discretion may determine any future event(s) which may constitute an event of default.

ARTICLE-8: WAIVER

- 8.1 **Waiver not to impair the Rights of the Lender:**
No delay in exercising or omission to exercise, any right, power or remedy accruing to the Lender upon any default under this Agreement, or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default ; nor shall the action or inaction of the Lender in respect of any default or any acquiescence by it in any default, affect or impair any right, power or remedy of the Lender in respect of any other default. The acceptance by the Lender of any payment which is less than the full installment shall not constitute a waiver.

ARTICLE-9: TERMINATION

- 9.1 This Agreement shall continue and remain in full force and effect until all outstanding are repaid and all obligations are performed, satisfied and discharged by the Borrower and/ or Security Provider.
- 9.2 Notwithstanding anything to the contrary in this Agreement or any other documents, the Lender may terminate this agreement without assigning any reason by giving a written notice of 7 days to the Borrower. Upon such notice, all outstanding shall become payable forthwith to the Lender by the Borrower and / or Security Provider.
- 9.3 All rights of the Lender and all obligations, warranties and indemnities of the Borrower and/or Security Provider to the Lender hereunder shall survive the termination of this Agreement.

ARTICLE 10: SET OFF AND GENERAL LIEN

- 10.1 The Borrower expressly accepts that if the Borrower fails to pay any monies when due or which may be declared due prior to the date when it would otherwise have become due or commits any other default under any agreement or document (including this Agreement) with the Lender and / or its Affiliates under which the Borrower enjoys financial / credit / other facilities, then in such event the Lender shall, without prejudice to any of its specific rights under each of the agreements and / or documents, be absolutely entitled to exercise all or any of its rights under any such agreements or documents (including this Agreement) at the sole discretion of the Lender.
- 10.2 Until the ultimate balance owed by the Borrower to the Lender has been paid or satisfied in full, the Lender shall have a lien on all properties and assets of the Borrower from time to time in the possession of the Borrower and a charge over all stocks, shares and marketable or other security from time to time, and shall be entitled to get any or all of them registered in the name of the Lender or any of its nominees whether the same be held for safe custody or otherwise.
- 10.3 The Lender shall be entitled to set off all monies, securities, deposits and other assets and properties belonging to the Borrower in possession of the Lender, whether in or on any account of the Lender, and may appropriate the same for the settlement of the outstanding hereunder.
- 10.4 The Borrower shall not, exercise nor shall it be entitled to exercise in law, contract or otherwise and hereby irrevocably waives any counter claims or any right of set off which it may have for any payment to be made by it by the Lender against any amount to be received by it from end to the end and intent that all payments to be made by it to the Lender shall be made by it without any set off, counter claim, adjustment or any deduction or withholding of whatsoever nature.
- 10.5 This clause shall survive the termination of this Agreement.

ARTICLE 11: DISTRIBUTION OF REALIZATION

- 11.1 The net proceeds of sale, realization, recovery and / or insurance claim proceeds relating to the Security, on receipt of the same by the Lender shall unless otherwise determined by the Lender or any Receiver be applied in the following order of priority:
- i. In or towards payment of or provisions for all fees, costs, liabilities and expenses incurred by any Receiver, attorney or agent appointed under or in connection with this Agreement.
 - ii. In or towards payment of fees and charges and costs and expenses.
 - iii. In or towards Penal Charges and Additional Interest which is due at such time, interest tax and any other outstanding (other than principal and interest).
 - iv. In or towards any Interest which is due / overdue at such time.
 - v. In or towards any pending or overdue PEMI/EMI, as applicable.
 - vi. In or towards the principal amounts which is outstanding
 - vii. Payment of the surplus (if any) to the Borrower or any person entitled thereto.
- 11.2 The Borrower agrees to accept the accounts of sales and realizations given by the Lender as conclusive proof of the amounts realized and relative expenses incurred by it, and the Borrower shall be liable to pay forthwith any shortfall or deficiency thereby shown. The Borrower and / or security provide shall continue to be liable for any deficiency in the amount due to the Lender by the Borrower / Security Provider after adjustment of the net proceeds of sale, realization, recovery and or insurance claims as above.
- 11.3 The Borrower / Security Provider shall not have any claim whatsoever against the Lender in relation to any act or thing done,

omitted, permitted or suffered by the Lender in exercising its rights and powers hereunder and such exercise shall be without prejudice to the Lender's other rights and remedies in law and notwithstanding that there may be and pending suit or proceedings relating to the Security.

ARTICLE-12: EFFECTIVE DATE OF AGREEMENT

12.1 Agreement to become effective from the date of execution:

The Agreement shall have become binding on the Borrower and the Lender on and from the date of execution hereof it shall be in force till all monies due and payable to the Lender under this Agreement as well as all other agreement/s, document/s that may be subsisting/ executed between the Borrower and the Lender are fully paid to the satisfaction of the Lender.

ARTICLE-13: MISCELLANEOUS

13.1

(a) The Schedules attached herewith shall be deemed to be part of the Agreement as if the provisions thereof were set out herein in extension.

(b) Any amendment(s), modification(s), revision(s) to the Agreement, Schedule(s) thereto, documents and collateral documents shall be in writing, which writing shall form an integral part of this Agreement without the need to enter into any Supplementary Agreement.

13.2 Inspection, Assignment, Disclosure etc.:

- (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 Lender. The Borrower shall also permit similar inspection by officers of such other companies, banks, institutions or bodies as the Lender may approve and intimate to the Borrower.
- (b) The Borrower expressly recognizes and accepts that the Lender shall in its discretion be absolutely entitled and have full power and authority without intimation/ permission of the Borrower at any time to sell, transfer, assign or securitize in whole or in part, the Loan and/ or Security Interest or any other right, title, interest or benefit of the Lender and whether by way of an absolute or partial assignment whether to one or more than one person and upon such terms and conditions as the Lender may decide, in favour of anyone or more party(ies) of the Lender's choice, banks or other financial institutions or non-financial institutions all or any part of the Lender's rights and benefits hereunder and/ or under any Document executed in favour of the Lender (including reserving a right to the Lender to retain its power hereunder to proceed against the Borrower on behalf of the purchaser, assignee or transferee) and in that event the assignee/ beneficiary/ buyer/ transferee shall have the same rights against the Borrower as it would have had if it had been a party hereto or thereto. Any such action, sale, assignment or transfer etc. shall bind the borrower to accept other party(ies) as Secured Creditor exclusively or as a joint Secured Creditor with the Lender, or as Secured Creditor exclusively with the right of the Lender to continue to exercise all powers hereunder on behalf of the other party. Any cost incurred by the other party or by the Lender for enforcement of its rights and recovery under this Clause shall be on account of the Borrower. The Borrower acknowledges and undertakes that upon such sale, transfer, assignment, it shall continue to pay its dues under this Agreement to the other party.
- (c) The Lender may, in its sole discretion, without notice to the Borrower, share the credit risk of the whole or a part of the facilities with any other person by way of participation. Notwithstanding such participation, all rights, title, interests, special status and other benefits and privileges enjoyed or conferred upon or held by the Lender under this Agreement and the other transaction documents shall remain valid, effective and enforceable by the Lender on the same terms, conditions and the Borrower shall continue to discharge in full all its obligations under this Agreement and the other transactions documents. The Borrower shall not claim any privity of contract with such person on account of any reason.
- (d) The right of sale, transfer, assignment or securitization set out in Clause 13.2(b) above and to create Security Interest set out in 13.2(c) above shall be available not only with respect to the Loan or a part thereof but also with respect to the Security Interest created by the Borrower and such sale, transfer, assignment or securitization may be made in respect of the Loan with or without Security Interest or may be made only with respect to Security Interest and such sale, transfer, assignment or securitization of the Loan or part thereof may be made in favour of one person and sale, transfer or assignment of Security Interest may be made in favour of other person whether as a transferee, assignee or purchaser or as trustee holding in trust for and for the benefit of the persons to whom the Loan or part thereof may be sold, transferred, assigned or securitized and such sale, transfer, and assignment may be made by the Lender not only in respect of its right, title, interest and benefit under the Agreement but also under any other Loan Document.
- (e) The Lender, as it may deem appropriate and necessary, be entitled to disclose all or any: (i) information and data relating to the Borrower; (ii) Information or data relating to the Loan, standard terms, Loan Documents and/ or any other securities furnished by the Borrower in favour of the Lender; (iii) obligations assumed/ to be assumed by the Borrower in relation to the Loan under the standard terms, the Loan Documents or any other securities furnished by the Borrower for any other credit facility granted by The Lender; (iv) default, if any committed by the Borrower in discharge of the aforesaid obligations, to the TCIBIL and any other agency authorized in this behalf by the Reserve Bank of India/ NHB/ TCIBIL and/ or any other agency so authorized may use and/ or process the aforesaid information and data disclosed by the Lender in any manner as deemed fit by them. TCIBIL and/ or any other agency so authorized may furnish for consideration, the processed information and data or products prepared by them, to the Lender/financial institutions and other credit grantors or registered users, as may be specified by Reserve Bank of India/ NHB in this behalf. All information and data furnished by the Borrower to the Lender from time to time shall be true and correct.
In case the Borrower commits a default in payment or repayment of any amounts in respect of the Loan, the Lender and/ or Reserve Bank of India/ NHB will have an unqualified right to disclose or publish the details of the default

and the name of the Borrower, its directors, partners as the case may be, as defaulters, in such manner and through such medium as the Lender or Reserve Bank of India/ NHB in their absolute discretion may think fit.

- (f) The Borrower undertakes and authorizes the Lender, its group companies to exchange, share or part with all the information, date or documents relation to his/ her application to the Lender group companies/ Banks/ Financial Institutions/ Credit Bureau/ Agencies/ Statutory Bodies/ Tax authorities/ Central Information Bureau/ FIUs/ such other agencies or institutions or bodies or persons as the Lender/ its Group Companies may deem necessary or appropriate as may be required for use or processing of the said information/ data by such person/ s of furnishing of the processed information/ data/ products thereof to other Banks/ Financial Institutions/ Credit providers/ users registered with such persons and shall not hold the Lender/ its group companies liable for use of this information.
- (g) The Borrower authorizes the Lender to communicate with, and receive amounts due to the Borrower from its employer, directly from such employer and agrees to issue suitable instructions to its employer in this regard, as may be required by the Lender. The aforesaid authorization shall however not affect the Borrower's obligations to make repayment/ payment of the Facility and other monies in respect of the Facility.
- (h) Nothing herein shall however, entitle the Borrower to sell, transfer or assign any of its right, title, interest, benefit or obligation.

13.3 Costs, Charges and Expenses:

- (a) The Borrower undertakes to pay forthwith on demand to the Lender all costs and expenses (including legal costs between legal counsel and Lender on a full indemnity basis) incurred and/ or to be incurred by the Lender for investigation of title to the Assets offered as Security Interests and for the preparation, execution, preservation, performance, enforcement and realization of Loan, Security Interests for the Loan as also any other instruments required in connection with the Loan as provided therein.
- (b) Any and all stamp duties, legislation fees or other taxes/levies, duties, charges etc. levied by the Government or any Appropriate Authority in respect of the Loan and/or any Asset and/ or in respect of the documents evidencing/ concerning the Loan and/ or any penalty/ies that may be imposed, shall be borne and paid for only by the Borrower. If the Borrower fails to pay the same, the Lender will make such payments, in which event such amounts paid by the Lender will form part of the principal amount of the Loan disbursed. Such levies shall not be limited to the above charges but shall include the charges of whatsoever nature as may be imposed by the Govt., Statutory Authority or any other competent authority from time to time either retrospectively or otherwise irrespective of closure of account of the Borrower. In case the Lender happens to pay such tax/ levy to the Govt., as above, the Borrower shall immediately on demand repay the same to the Lender and make good its loss.
- (c) The Borrower undertakes to pay forthwith on demand to the Lender all cost, expenses incurred or to be incurred by the Lender to enforce its right of security interest under the provisions of The Securitization and Reconstruction Financial Assets Enforcement of Security Interests Act, 2002.
- (d) The Borrower undertakes to pay forthwith on demand to the Lender all cost, expenses incurred or to be incurred by the Lender towards any deficit stamp duty of any security documents as levied by any of the State Government.
- (e) The aforesaid costs and expenses due and payable by the Borrower shall where so paid by the Lender shall be secured by the Assets under this Agreement. The Lender shall also be entitled to interests on the said amount at the rate set out in this Agreement.

13.4 The Borrower hereby authorizes the Lender to apply any credit balance to which the Borrower may be entitled under any Loan/ facility(ies) availed of/ to be availed of from the Lender and under any agreements entered into/ to be entered into with the Lender, in satisfaction of any sum due and payable herein but remaining unpaid and vice versa.

The aforesaid rights of lien and set off shall not be affected by any reason whatsoever.

13.5 Subordination of other loans:

All other loans/ advances/ facility(ies) obtained/ to be obtained by the Borrower from any source whatsoever except for the normal working facilities availed by the Borrower from its bankers shall be on the terms and conditions as may be agreed to by the Lender and subject to its prior approval of the Lender. In any case, such loans/ advances/ facility(ies) raised by the Borrower shall always remain subordinate to the loan or any other loan(s)/ facility(ies) granted by the Lender and shall not impair or prejudice the Security Interests in favour of the Lender.

13.6 Partial Invalidity:

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable under the law, neither the legality, validity, enforceability of the remaining provisions under this Agreement nor the legality, validity, enforceability of other provisions shall in any way be affected or impaired thereby. The parties may, in such an event amend the provisions in such reasonable manner as it achieves the intention of the parties without legality.

13.7 Engagement of Specialized Agencies:

- (a) The Borrower expressly recognizes and accepts that the Lender may engage services of specialized agencies to perform specific tasks assigned to them.
- (a) The Borrower hereby agrees that the provisions hereof are subject to market conditions, which in the sole opinion of the Lender, may be relevant to the terms contained herein. The Borrower hereby agrees that, in the event of any material changes in market or in the national or international political or economic situation, any disbursement or in the event that the Lender determines that the prevailing market conditions prior to any disbursement does not permit successful funding, the Lender shall be entitled to re-negotiate the terms on which such Loan is to be granted to the Borrowers and/or terminate the current financial arrangement.

13.8 Service of Notice:

Any communication/ notice/ letter/ document sent by one party to another shall be in English and delivered at the address specified hereinabove or at such address notified in writing to the other party. The communication etc. may be sent by mail, personal delivery or Email. Where sent by Email, it must be backed with Registered A.D. communication/ courier receipt for valid service. The communication etc. shall be deemed to have been received by the Borrower or by the person notified by the Borrower at the notified address when sent by mail, 3 days after the date of posting under certificate of posting, or 48 hours after dispatch by registered post; when personally delivered, on receipt of the same at the address of the party and

when sent by fax, upon receipt of confirmation etc. sent by the Borrower to the Lender shall be effective only when received by the Lender. Any change in the address of any of the Borrower shall be duly notified to Lender within 7 days of such change however, the Lender can notify the change of its address by way of public notice.

13.9 The Borrower agrees/ confirms as follows:

- (a) The Lender may return the documents to either/ any of the Borrowers notwithstanding any contrary advice/ intimation or Security Interest from either/ any of the Borrowers at a later date;
- (b) The Lender is not obliged to return any documents which have been handed over to the Lender for any purpose whatsoever until and unless the Loan and all the amounts in respect thereof have been paid off in full to the satisfaction of the Lender.
- (c) That the Borrower has read and understood this Agreement and in the event that the Borrower is illiterate and/ or cannot read the 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.
- (d) That the Sanction Letter forms an integral part of this Agreement and the terms and conditions thereof, unless contrary to the provisions of this Agreement, shall be binding on the Borrower.

13.10 Where any security in relation to any property is required to be registered under any law, the Borrower shall, within 10 days from the date of creation of such security have such security registered with the appropriate registering authority, and submit original security documents to the Lender.

13.11 **Entire agreement:** Unless otherwise specified / agreed between the Parties, save and except the documents so executed between the Parties hereto made in writing prior to or concurrently herewith referring to specific clauses or schedules or annexures of this Agreement, which have been acknowledged in writing on such written disclosures, this Agreement along with the other documents shall supersede all prior discussions, exchange of documents and information and agreements between the Parties with respect to the subject matter hereof. In the event of any conflict between the Sanction Letter / Loan Application and terms of this Agreement, the terms of this Agreement shall prevail.

13.12 **Severability:**

If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of the Agreement and the application of such provisions to persons and circumstances other than those to which it is held invalid or unenforceable shall not be effected thereby, and other parts of this Agreement shall be valid and enforceable to the fullest extent permitted by the applicable law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.

13.13 **Independent Rights:**

Each of the parties under this agreement are independent, cumulative and without prejudice to ask other rights available to them, and the exercise of any such rights shall not prejudice or constitute waiver of any other right of the party, whether under this Agreement.

13.14 **Further Assurances:**

The Borrower assures the Lender that it shall execute, sign, seal and deliver all documents, papers, acknowledgments and representations as may be required at any time during the tenure of this Agreement and thereafter with a view to more fully and effectively securing the amounts due and payable or to become by the Borrower to the Lender in terms of the Agreement.

13.15 **Time:**

Time shall be the essence of the contract, in relation to repayment of the amounts borrowed by the Borrower.

13.16 **Variation:**

No variation of this Agreement or the Schedules and Annexures hereto shall be effective unless reduced to writing and signed by or on behalf of duly authorized persons of each of the Parties to the Agreement.

ARTICLE-14: ARBITRATION

14.1 Any dispute in connection with the interpretation, performance, termination of this agreement, and/or the documents, or otherwise in connection with this agreement, shall be referred for Arbitration under the Arbitration and Conciliation Act, 1996 (as amended up to date) or in re-enactment thereof. **Also, a list of empaneled Arbitrators shall be updated on the website of the Lender and borrower has agreed to elect an arbitrator out of the list provided by the Lender, if required.**

14.2 The Arbitration proceedings shall be conducted at Delhi in English language.

14.3 The arbitral award shall be final and binding on the parties and enforceable in accordance with its terms. The Arbitrator shall state reasons for their findings in writing. The Parties agreed to be bound thereby and act accordingly.

ARTICLE 15: ACCEPTANCE

- a. The Borrower has read the entire Agreement including the details given in the Schedules, which have been filled in the presence of the Borrower.
- b. The Borrower hereby expressly and irrevocably agrees to be bound by all conditions including the details in the Schedule.
- c. The aforementioned Agreement and other documents have been explained in the language known to and understood by the Borrower and the Borrower has understood the entire meaning of the various clauses.
- d. The Borrower is aware that the Lender shall agree to become a party to this Agreement only after satisfying itself with regard to all conditions and details filled by the Borrower in the application for the agreement in consonance with the Lender's policy.
- e. The Borrower agrees that this Agreement shall be deemed to commence and legally binding on the date when the Authorized Office of the Lender signs this Agreement at the city where the branch office of the Lender is situated. It shall be in force till all the monies due and payable to the Lender under this Agreement as well as all other Agreements that may be subsisting/executed between the Borrower and Lender are fully paid.

ARTICLE-16: JURISDICTION

Subject to the provisions of Article-14 above, this Agreement including all matters relating to its validity, construction, performance and enforcement shall be governed by laws of India. The courts of New Delhi shall have exclusive jurisdiction in relation to any suit pertaining to any matter, claims or disputes arising out of or in any way relating to this Agreement, the courts at Delhi alone shall have exclusive jurisdiction.

ARTICLE-17: CUSTOMER GRIEVANCE REDRESSAL MECHANISM

In case of grievances, customers may register their complaints following the procedure provided on the company's website. Name, designation, address and phone number of nodal grievance redressal officer updated on the bank's website: <https://www.arthfc.com/quicklink-grievance+redressal.html>. This ensures all grievances are addressed efficiently and in a timely manner.

IN WITNESS WHEREOF the parties hereto have signed this Loan Agreement in acceptance of all the terms and conditions stated hereinabove on the day, month and year and place mentioned herein below.

a) SIGNED AND DELIVERED)
by the within named Borrower(s))

INDIVIDUAL(S) AS BORROWER	
Name	Signature
	X ₁
	X ₁
	X ₁
	X ₁

b) SIGNED AND DELIVERED)
 by the within named Borrower(s))

SOLE PROPRIETARY FIRM AS BORROWER	
Proprietors of M/S	
Name of Proprietor/ Proprietress	Signature
	X ₁
	X ₁

c) SIGNED AND DELIVERED)
 by the within named Borrower(s))

For self and as a Partner of M/S. _____

By the hand(s) of:

PARTNERSHIP AS BORROWER		
Name	Signature as an Individual	Signature as Partner
	X ₁	X ₁
	X ₁	X ₁
	X ₁	X ₁
	X ₁	X ₁

(To be signed two times, firstly as an individual and secondly as partner of the firm)

d) SIGNED AND DELIVERED)
 by the within named Borrower(s))

For self and as a Partner of M/S. _____

By the hand(s) of:

LLP AS BORROWER	
Name	Signature as Partner
	X ₁
	X ₁
	X ₁

(To be signed two times, firstly as an individual and secondly as partner of the firm)

e) SIGNED AND DELIVERED)

For and On Behalf of _____ HUF

By the hand(s) of:

Position	Name	Signature
Karta		X ₁
Member		X ₁
Member		X ₁
Member		X ₁
Member		X ₁
Member		X ₁

f) COMPANY AS BORROWER
SIGNED AND DELIVERED _____)

For and On behalf of _____

Name of Authorized Signatory	Designation(s)/ Title(s)	Signature
		X ₁
		X ₁
		X ₁
		X ₁

g) SOCIETY/ ASSOCIATION AS BORROWER

SIGNED AND DELIVERED _____)

For and On behalf of _____

COMMON SEAL _____

COMMON SEAL of the within named Society _____ Ltd. Has been affixed hereunto pursuant to the Resolution Passed at its Meeting held on _____ in the presence of below members who have executed THESE PRESENTS

Name of Member	Designation(s)/ Title(s)	Signature
		X₁
		X₁
		X₁
		X₁

h) SIGNED AND DELIVERED)
 by the within named Borrower(s))

For self and as a Trustee of _____

By the hand(s) of:

Name	Signature as Trustee
	X₁
	X₁

SIGNED SEALED AND DELIVERED BY
 For ART HOUSING FINANCE (INDIA) LTD
 Signature:
 Name:
 (Authorized Signatory of the Lender)

SCHEDULE A

Sr. No.	Particulars	
(1)	Place and Date of Execution of the Agreement	
(2)	Address of the concerned Branch of ART Housing Finance (India) Ltd. (AHF)	_____
(3)	Name and Address of Borrower (s) (Please tick whichever applicable)	<p>1) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> Others Address 1: Address 2: Address 3: City: _____ Pin: _____</p> <p>2) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> Others Address 1: Address 2: Address 3: City: _____ Pin: _____</p> <p>3) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> Others Address 1: Address 2: Address 3: City: _____ Pin: _____</p> <p>4) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> Others Address 1: Address 2: Address 3: City: _____ Pin: _____</p>
(4)	Security Provider	<p>1) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> Others Address 1: Address 2: Address 3: City: _____ Pin: _____</p> <p>2) Name: Constitution: <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Company <input type="checkbox"/> Partnership <input type="checkbox"/> Others Address 2: Address 3: City: _____ Pin: _____</p>
X₂		

(5)	Loan Amount (Amount in numbers and words)	Number: Rs. _____ /- Words : _____ _____ Only)																				
(6)	Purpose	<table border="1"> <thead> <tr> <th data-bbox="829 243 1027 289">PURPOSE</th> <th data-bbox="1027 243 1458 289">END USE</th> </tr> </thead> <tbody> <tr> <td data-bbox="829 289 1027 590" rowspan="7">BUSINESS</td> <td data-bbox="1027 289 1458 331">LRD LOANS</td> </tr> <tr> <td data-bbox="1027 331 1458 373">WORKING CAPITAL</td> </tr> <tr> <td data-bbox="1027 373 1458 415">DEBT CONSOLIDATION</td> </tr> <tr> <td data-bbox="1027 415 1458 457">REPAYMENT OF BUSINESS LOAN</td> </tr> <tr> <td data-bbox="1027 457 1458 499">EXPANSION OF BUSINESS</td> </tr> <tr> <td data-bbox="1027 499 1458 541">ACQUISITION OF BUSINESS ASSET</td> </tr> <tr> <td data-bbox="1027 541 1458 590">NON-RESIDENTIAL PROPERTY</td> </tr> <tr> <td data-bbox="829 590 1027 884" rowspan="6">NON-BUSINESS</td> <td data-bbox="1027 590 1458 632">HOME RENOVATION</td> </tr> <tr> <td data-bbox="1027 632 1458 674">HOME CONSTRUCTION</td> </tr> <tr> <td data-bbox="1027 674 1458 716">HOME IMPROVEMENT</td> </tr> <tr> <td data-bbox="1027 716 1458 758">MEDICAL EXPENSES</td> </tr> <tr> <td data-bbox="1027 758 1458 800">MARRIAGE EXPENSES</td> </tr> <tr> <td data-bbox="1027 800 1458 884">HIGHER EDUCATION</td> </tr> <tr> <td data-bbox="829 884 1027 968">OTHERS</td> <td data-bbox="1027 884 1458 968">Please Specify</td> </tr> </tbody> </table>		PURPOSE	END USE	BUSINESS	LRD LOANS	WORKING CAPITAL	DEBT CONSOLIDATION	REPAYMENT OF BUSINESS LOAN	EXPANSION OF BUSINESS	ACQUISITION OF BUSINESS ASSET	NON-RESIDENTIAL PROPERTY	NON-BUSINESS	HOME RENOVATION	HOME CONSTRUCTION	HOME IMPROVEMENT	MEDICAL EXPENSES	MARRIAGE EXPENSES	HIGHER EDUCATION	OTHERS	Please Specify
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	MEDICAL EXPENSES																					
	MARRIAGE EXPENSES																					
	HIGHER EDUCATION																					
OTHERS	Please Specify																					
(7)	Interest Rate (Please tick whichever is applicable)	a) Fixed Interest Rate as per Schedule B <input type="checkbox"/> b) Variable Interest Rate as per Schedule C <input type="checkbox"/> c) Pre-EMI Interest (as per relevant Schedule B or C, as the case may be shall be applicable)																				
(8)	Prime Lending Rate (PLR) per annum compounded monthly																				
(9)	Additional/ penal Interest	24% per annum on the outstanding installment amount																				
(10)	Penal Charges	<table border="1"> <thead> <tr> <th data-bbox="829 1262 1122 1304">Instance</th> <th data-bbox="1122 1262 1458 1304">Rate of Penal Charge</th> </tr> </thead> <tbody> <tr> <td data-bbox="829 1304 1122 1423">On account of not completing the construction within 24 months of first disbursement</td> <td data-bbox="1122 1304 1458 1423"><=2% of Principal Outstanding + Applicable taxes</td> </tr> <tr> <td data-bbox="829 1423 1122 1514">On account of non-submission of Post Disbursal Document</td> <td data-bbox="1122 1423 1458 1514"><=2% of Principal Outstanding + Applicable taxes</td> </tr> <tr> <td data-bbox="829 1514 1122 1640">On account of non-adherence of any of the condition as mentioned in the Sanction Letter</td> <td data-bbox="1122 1514 1458 1640"><=2% of Principal Outstanding + Applicable taxes</td> </tr> <tr> <td data-bbox="829 1640 1122 1755">Any breach of terms or conditions of loan agreement, sanction letter and any other documents.</td> <td data-bbox="1122 1640 1458 1755"><=2% of Principal Outstanding + Applicable taxes</td> </tr> </tbody> </table>		Instance	Rate of Penal Charge	On account of not completing the construction within 24 months of first disbursement	<=2% of Principal Outstanding + Applicable taxes	On account of non-submission of Post Disbursal Document	<=2% of Principal Outstanding + Applicable taxes	On account of non-adherence of any of the condition as mentioned in the Sanction Letter	<=2% of Principal Outstanding + Applicable taxes	Any breach of terms or conditions of loan agreement, sanction letter and any other documents.	<=2% of Principal Outstanding + Applicable taxes									
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(11)	Repayment Schedule	a) Loan Term: _____(months) b) Equated Monthly Installment (EMI): Rs. _____(Rupees) _____ Only); c) Number of EMIs _____ d) Date of Commencement of EMI: _____; e) Due Date of first EMI: _____; f) Due Date of the subsequent EMIs shall be payable on the same date of each month or shall be _____.
(12)	Commitment Charges (As referred in Article 2.9)	As per company policy
(13)	Tenure (in months)	
(14)	Cheque/ACH Dishonour Charges	Rs.600/-
(15)	Swap Charges (for replacement of Post Dated Cheques/ACH)	Rs.500 plus Service Tax per instance

X₃

SCHEDULE B
TERMS AND CONDITIONS APPLICABLE TO THE LOAN WITH FIXED INTEREST RATE

(A) Definition:

The Fixed Interest Rate shall be _____ % p.a. Pre-EMI Interest shall be _____ % p.a. till the loan is fully disbursed.

(B) Computation of Interest:

- i. The same shall be computed on a monthly rest basis. The same shall be payable on a monthly basis.
- ii. The Lender in its sole discretion may change/ vary/ modify the applicable Fixed Interest Rate in accordance with its internal policies / due to change in market condition / or for any other reason.

(C) Repayment of Loan and Payment of Interest:

- a) Prior to commencement of Monthly installments provided in table below, the borrower shall be liable to pay AHFL the Pre-EMI on the disbursed amount.
- b) Loan and Interest shall be payable by the Borrower in the following Monthly Installments.

EMI (Equated Monthly Installment) Rs.	No. of EMIs	Period		Payable monthly on or before
		From	To	

X₄

SCHEDULE C

TERMS AND CONDITIONS APPLICABLE TO THE LOAN WITH VARIABLE INTEREST RATE

(A) Definition:

- a) Variable Interest Rate (VIR) _____ % p.a.
The interest rate announced by AHFL from time to time as its Prime Lending Rate (PLR) shall be applicable to the Loan with spread if any.

(B) Computation of interest:

- a) The borrower shall be charged VIR and Pre-EMI on Monthly Rest Basis at the rate mentioned hereinabove.
- b) The VIR shall be reset as and when there is any change in the PLR.

(C) Repayment of Loan and Payment of Interest:

- a) Prior to commencement of Monthly Installments mentioned in point (b) below, the Borrower shall be liable to pay AHFL the Pre-EMI on the disbursed amount.
- b) Loan and VIR shall be payable by the Borrower in the following Monthly Installments

EMI (Equated Monthly Installment) Rs.	No. of EMIs (variable; subject to changes in ROI)	Period		Payable monthly on or before
		From	To	

X₅

In the event of any benefit / loss being caused as a consequence of variable in the VIR, the same would not affect the aforesaid Monthly installments and the Borrower shall be provided the benefit / compensation for the loss at the end of the tenure of the Loan. Provided

that if, as a consequence of any extension of the tenure of the Loan as a consequence of the variation in VIR, the Maximum Tenure is likely to be exceeded, AHFL shall make appropriate changes in the Monthly Installment.

AHFL may vary the Prime Lending Rate (PLR) from time to time in such manner as AHFL may deem fit in its sole discretion.

X6

**SCHEDULE D
DESCRIPTION OF PROPERTY:**

House no/Flat No _____ built on Plot No. _____, part of Survey/Khasra no or bearing Municipal no. _____ or having Permanent Property ID No. _____, measuring _____ Sq. Feet /Yards/Meter, situated at Village/Mouja/ City _____, Tehsil – _____, District – _____, bounded as under: -

North -
South -
East -
West -

X7

DEMAND PROMISSORY NOTE

Loan Account No. _____

Date: _____

FOR VALUE RECEIVED

ON DEMAND,

I/ We i)..... ii)..... (Hereinafter referred to as the **"Borrower"**) promise to pay to ART Housing Finance India (Ltd.), (hereinafter referred to as the **"Lender"**) or its assigns or its successors a sum of Rs. _____/- (Rupees _____) (Hereafter referred to as the **"Loan"**) together with interest at the compounding rate of _____% per annum with monthly rests or such other rates which the Lender, may specify from time to time with reference to the then prevailing Interest Rate.

The undersigned hereby unconditionally and irrevocably waive demand, presentment and protest of this note.

Signed and sealed under penalty of perjury this _____ day of _____ 20_____

Revenue Stamp & Signature of Borrower/ s

REVENUE
STAMP
&
SIGNATURE
ACROSS

REVENUE
STAMP
&
SIGNATURE
ACROSS

REVENUE
STAMP
&
SIGNATURE
ACROSS

REVENUE
STAMP
&
SIGNATUR
E ACROSS

**SIGNED AND
DELIVERED**

By all the within named Borrower(s)

INDIVIDUAL(S) AS BORROWER	
Name	Signature
	X
	X
	X
	X

**b) SIGNED AND DELIVERED)
by the within named Borrower(s))**

SOLE PROPRIETARY FIRM AS BORROWER	
Proprietors of M/S	
Name of Proprietor/ Proprietress	Signature
	X
	X

c) SIGNED AND DELIVERED)
 by the within named Borrower(s))
 For self and as a Partner of M/S. _____

By the hand(s) of:

PARTNERSHIP AS BORROWER		
Name	Signature as an Individual	Signature as Partner
	X	X
	X	X
	X	X

(To be signed two times, firstly as an individual and secondly as partner of the firm)

d) SIGNED AND DELIVERED)
 by the within named Borrower(s))
 For self and as a Partner of M/S. _____
 By the hand(s) of:

LLP AS BORROWER	
Name	Signature as Partner
	X
	X
	X

(To be signed two times, firstly as an individual and secondly as partner of the firm)

e) SIGNED AND DELIVERED
 For and On Behalf of _____ HUF

By the hand(s) of:

Position	Name	Signature
Karta		X
Member		X
Member		X

f) COMPANY AS BORROWER

For and On behalf of _____

Name of Authorized Signatory	Designation(s)/ Title(s)	Signature
		X
		X
		X

g) SOCIETY/ ASSOCIATION AS BORROWER

COMMON SEAL _____

COMMON SEAL of the within named Society _____ Ltd. Has been affixed hereunto pursuant to the Resolution Passed at its Meeting held on _____ in the presence of below members who have executed THESE PRESENTS

Name of Member	Designation(s)/ Title(s)	Signature
		X
		X
		X

h) SIGNED AND DELIVERED _____)
 by the within named Borrower(s) _____)

For self and as a Trustee of _____

By the hand(s) of:

Name	Signature as Trustee
	X
	X

Letter of Continuity for Demand Promissory Note

To,
ART Housing Finance (India) Ltd,
Plot 49, Udyog Vihar,
Phase IV, Gurgaon, Haryana

Dear Sir/ Madam,

I/We _____ enclose herewith the Demand Promissory Note dated _____ for the principal amount Rs. (Rupees _____ only) together with interest thereon @ _____% p.a. or such rate as you may fix from time to time, which is payable on demand and given by us as Security for the Loan granted to us by you under the Loan Agreement executed between us dated _____ (hereinafter referred to as the "**Loan Agreement**").

I/We:

- a. Hereby waive my/our rights of the presentment of the aforesaid Demand Promissory Note.
- b. Request the Lender to dispense with a notice of dishonor in terms of Section 98(a) of the Negotiable Instruments Act, 1881.
- c. That the aforesaid Demand Promissory Note aforesaid shall operate as a continuing security to the Lender to be enforceable for repayment of the ultimate balance or all sums remaining unpaid under the Loan granted now or hereafter.
- d. Shall remain liable on the said Demand Promissory Note notwithstanding the fact that by payment made into my/our loan account from time to time, the Loan may from time to time be reduced or extinguished or even that the balance of the said account(s) may be at credit.

Yours truly

X

X

X

X

Name of the Borrower
(Signature of all the Borrowers)⁸

⁸ Seal to be affixed if an entity is the Borrower

DECLARATION FOR SIGNING VERNACULAR LANGUAGE/ IN CASE OF BLIND BORROWER(S)/ IN CASE OF ILLITERATE BORROWER(S)

I, _____ Son /daughter of _____ aged about years, residing at..... do hereby solemnly and sincerely affirm and declare as under:

In case of name discrepancy and date of birth (provided by Borrower/ Guarantor / Service Provider)* strike off if not applicable	
1.	That officially, I write my name as “_____” and date of birth as “_____”
2.	I state that in the PAN card No. _____ Voter ID Card No _____ issued to me by the Government, my name/ date of birth has been inadvertently mentioned as “_____”
3.	I / we have/has applied for Loan/is guarantor to the Loan/security provider (strike off whichever is not applicable) to the Loan granted by ART Housing Finance (India) Ltd (“ Lender ”) and have declared my correct name as “_____”.
4.	Based on my declaration the Lender has taken the above decision.
5.	I hereby declare and confirm that as I am the Borrower/ Guarantor / Service Provider (strike off whichever is not applicable).
6.	I declare that I will not take undue benefit of discrepancies in the name as mentioned in the aforesaid documents.

In case of disable / illiterate / vernacular * strike off if not applicable	
1.	I / We has/have applied for Loan/is guarantor to the Loan/ is security provider (strike off whichever is not applicable) to the Loan granted by ART Housing Finance (India) Ltd (“ Lender ”)
2.	I / We confirm that the loan agreement dated _____ (“ Loan Agreement ”) and the loan documents as defined in the Loan Agreement (“ Loan Documents ”) is acceptable to me/is and is/are executed by me/us. I / We hereby declare and confirm that as I / We am / are ** illiterate / not literate in English / blind/ disable and I / We cannot read / sign all the terms and condition of the Loan Agreement and the Loan Documents as stipulated by the Lender, and the declarations and confirmations of this letter have also been read and explained to me / us by Mr. _____ an employee of _____ who has countersigned this undertaking, and I / we have executed the Loan Agreement and the Loan Documents after having fully understood all the terms and conditions mentioned therein.
3.	I / We hereby further declare and confirm that all the terms and conditions of sanction of the said loan of Rs. _____ (Rupees _____ only) and the Agreement and Loan Document(s) and all other documents stipulated by _____ shall be binding on me / us until the clearance of the liabilities under said loan. That the Agreement and the Loan Document(s) have been read out and explained to me in the language known to me.

I / We confirm that the details mentioned above are true and correct.

X

X

X

X

BORROWER/CO-BORROWER
(Signature / Thumb Impression)

Verification:

Verified at _____, this _____ day of _____ 20__ that the contents of above affidavit are correct and true to the best of our knowledge and belief and nothing has been concealed thereof.

X

X

X

X

BORROWER/CO-BORROWER
(Signature / Thumb Impression)

I have read out and explained the contents of the Loan documents and all other documents incidental to availing the loan from ART Housing Finance India (Ltd.) having its Registered and Administrative Office at _____, and he/ she/ they have understood the same and do hereby agree to abide by all the terms and conditions of the loan and the clauses of the same. Pursuant to the same, the Borrower(s) is affixing his/ her signature/ thumb impression herein above.

X

SIGNATURE
(Name and signature of the person
who read and explained the documents)

X

X

X

X

Signature of Borrower/s

Executed before me _____

[Date]

The Manager
ART Housing Finance (India) Limited, hereafter, AHFL

Dear Sir,

Subject: End Use Letter- Purpose of Loan,

We are seeking financial assistance for

_____ [briefly describe purpose].

We hereby assure AHFL that the loan facility provided will be utilized exclusively for the specified purpose mentioned above. We affirm our commitment to adhere strictly to the terms and conditions outlined in the loan agreement.

Your support is invaluable in achieving our objectives. Thank you for considering our application.

Best regards,

[Customer Name]
[Contact Information]