



## TERMS AND CONTITIONS – INDIVIDUAL LOANS

### 1. DEFINITIONS:

- 1.1. **"Agreement"** or **"Loan Agreement"** means and includes the agreement executed/ to be executed between the Borrower and the Bank in relation to the Loan.
- 1.2. **"Agriculture"** means the science or practice of farming, including cultivation of the soil for the growing of crops and the rearing of animals to provide food, wool, and other products.
- 1.3. **"Agricultural Inputs"** means seeds, fertilizers, manures and agro chemicals purchased by the Borrower out of the proceeds of the Individual Livestock Loan disbursed by the Bank.
- 1.4. **"Applicable Law"** includes any law, directive, rule, regulation, guideline, circular, notification, clarification, guidelines, instruction, requirement, constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure having the force of law in any jurisdiction from time to time, and "lawful" and "unlawful" shall be construed accordingly.
- 1.5. **"Application Form"** shall mean as the context may permit or require, the loan application form submitted to the Bank for applying and availing of the Loan.
- 1.6. **"Bank"** or **"Lender"** or **"USFB"** or **"Ujjivan SFB"** shall mean Ujjivan Small Finance Bank Limited, a company incorporated under the provisions of the Companies Act, 2013 (CIN: L65110KA2016PLC142162) and a Banking Company within the meaning of Banking Regulation Act, 1949, with its Registered Office and Head Office at Grape Garden, No: 27, 3<sup>rd</sup> "A" Cross, 18<sup>th</sup> Main, 6<sup>th</sup> Block, Koramangala, Bengaluru, Karnataka – 560 095.
- 1.7. **"Borrower"** means such person to whom the Bank has agreed to grant the Loan and who has availed the Loan, and shall, unless repugnant to the context, be deemed to include the Co-Borrower(s).
- 1.8. **"Business Day"** means a day (other than Public Holiday) on which the Bank and banks are open for business in the location from where the Loan is sanctioned.
- 1.9. **"Business Unit"** shall mean a shop or a house owned by the Borrower, and if it is a shop then it should be properly registered (GST/VAT/CST Registration/ Shops & Establishment Registration/ MSME Registration/ Income Tax PAN/ Any other statutory or government registration).
- 1.10. **"Co-Borrower"** means and includes the person who, along with the Borrower, shall be jointly and severally liable for repayment of the Outstandings and his/her/their obligation in relation to the Outstandings shall be concurrent with that of the Borrower in all respects as if he/she/they himself/herself/themselves was/were the Borrower and accordingly, the Co-Borrower shall regularly and punctually pay to the Bank the instalments as well as other dues payable under the Loan himself/herself/themselves in the event of default by the Borrower.
- 1.11. **"Competent Authority"** shall mean the Government of India ("Gol"), RBI (as defined herein) or the government of any other state of India or any ministry, department, local authority, statutory or regulatory authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity or commission under the direct or indirect control of the Gol or RBI or the government of any other state of India or any political subdivision of any of them or owned or controlled by the Gol or the RBI or the government of any other state of India or any of their subdivisions, or any court, tribunal or judicial body within India or any legislative, judicial or executive authority, department, Ministry of Public or Statutory Person whether autonomous or not, of the Gol or the RBI.
- 1.12. **"Credit Information Company"** means a company which has been granted a certificate of registration by RBI under Section 5 (2) of the Credit Information Companies (Regulation) Act, 2005.
- 1.13. **"Credit Rating Agencies"** means the domestic credit rating agencies such as CARE, CRISIL, ICRA and FITCH and international credit rating agencies such as Moodys and Standard & Poor's and such other credit rating agencies identified and/or recognized by the RBI from time to time and acceptable to the Bank.
- 1.14. **"Due Date"** means the date(s) on which any amounts in respect of the Outstandings are payable by the Obligors to the Bank as more specifically mentioned in the Facility Documents.
- 1.15. **"Electronic Clearing System"**, or **"ECS"** or **"ACH"**, shall be deemed to include transfer of funds electronically either through a message for transfer of funds sent electronically or through an image of an instrument of transfer of funds sent electronically or through an electronic file containing the details of the funds transfer sent by electronic media or payment through an electronic cheque or where funds are transferred through various types of plastic cards or such other debit clearing service notified by the RBI, participation in which has been consented to in writing by the Borrower for facilitating payment of EMIs.
- 1.16. **"Equated Monthly Installments"** or **"EMI"** means and includes the amount of each periodical payment required to be paid to the Bank, on monthly intervals in terms of the Agreement, to amortise the Loan with Interest over the tenure of the Loan.
- 1.17. **"External Benchmark Lending Rate"** or **"EBLR"** in relation to rate of Interest means the market determined reference rate used by the Bank in conformity with the guidelines of RBI to determine the interest rates on loans, which is subject to review by the Bank periodically. The prevailing External Benchmark Lending Rate is as mentioned on the Website.
- 1.18. **"Facility Documents"** includes Application Form, sanction letter, if any, these Terms & Conditions, the Agreement, and all other agreements, instruments, undertakings, indentures, deeds, writings and other documents executed or entered into, or to be executed or entered into, by the Obligors, the Bank and/or any other person, in relation, or pertaining, to the Loan and the transactions contemplated under the Facility Documents, and includes all modifications and amendments thereto.

- 1.19. **"Fixed Rate of Interest"** means the fixed rate of interest applicable on the Loan, which is subject to review by the Bank.
- 1.20. **"Individual Agriculture Loan"** or **"IAL"** means the Loan availed by the Borrower for purchase of Agricultural Inputs to supplement and/or promote his/her farming activities (viz., for purchase of agriculture inputs/agricultural implements or for payment of electricity charges incurred for agricultural irrigation, for payment of charges of irrigation/ploughing/threshing or for payment of labour cost).
- 1.21. **"Individual Bazaar Loan"** or **"IBZL"** means the Loan availed by the Borrower for his/her business needs in relation to his/her Business Unit.
- 1.22. **"Individual Business Loan"** or **"IBL"** means the Loan availed by the Borrower for his/her business needs in relation to his/her Business Unit (viz., for purchase of inventory/fixed assets, asset improvement, for renovation of business premises or payment of rent/lease deposit of business premises).
- 1.23. **"Individual Home Improvement Loan"** or **"IHIL"** means the Loan availed by the Borrower for making improvements or expansion or repairs or renovation or additional construction on existing residential or commercial-cum-residential building owned by him/her.
- 1.24. **"Individual Livestock Loan"** or **"ILL"** means the Loan availed by the Borrower for purchase of Livestock to supplement and/or promote his/her animal husbandry activities (viz., for purchase of mitch cattle, feeds/fodder, equipment/machinery required for livestock business or for renovation/expansion of cattle shed).
- 1.25. **"Instalment"** means PEMII or EMI as may be applicable in relation to the purpose, for which the Loan is availed.
- 1.26. **"Interest"** means and includes the Rate of Interest chargeable by the Bank from the Borrower on the Loan as specified in the Facility Documents. The Interest shall be benchmarked to the MCLR or EBLR of the Bank.
- 1.27. **"Late Payment Charges"** means the amount which may be levied by the Bank at its discretion on account of non-payment of the amounts payable by the Borrower on Due Date, in relation to the Loan as per the terms contained in the Facility Documents. The Bank reserves the right to waive collection of Late Payment Charges at its discretion.
- 1.28. **"Livestock"** means animals, namely, cows and/or buffaloes, in such numbers as may be decided by mutual agreement, purchased by the Borrower out of the proceeds of the Individual Livestock Loan disbursed by the Bank.
- 1.29. **"Loan"** means the credit facility(ies) availed/to be availed by the Borrower from the Bank, from time to time, and as more particularly set out in the Agreement, which shall include any TopUp Loan/Additional Loan, if any, availed by the Borrower pursuant to the Effective Date, and any rescheduled loans of the Borrower, and includes all interest related to the Loan. It is clarified herein that the Loan specifically excludes all other loan/s, whether prior or concurrent, taken by the Borrower, including but not limited to loans with group guarantees taken by the Borrower from the Bank.
- 1.30. **"Loan Amount"** shall mean an amount of Loan as may be availed by the Borrower as per the terms and conditions of the Facility Documents.
- 1.31. **"MCLR"** means the marginal cost of fund-based lending rate of the Bank as may be determined and published by the Bank from time to time. The prevailing MCLR is as mentioned on the Website.
- 1.32. **"Material Adverse Effect"** means the effect or consequence of any event or circumstance which is or is likely to be: (a) adverse to the ability of the Borrower or any person to perform or comply with any of their respective obligations in relation to the Loan; or (b) prejudicial to the financial condition of the Borrower, in the opinion of the Bank.
- 1.33. **"Micro Enterprises"**, **"Small Enterprises"** and **"Medium Enterprises"** shall have the respective meanings assigned to them under the Micro, Small and Medium Enterprises Development Act, 2006, or any amendments thereof.
- 1.34. **"Obligors"** shall mean the Borrower, Co-Borrower(s) and any other person providing security and/or guarantee and/or indemnity and/or any declaration and/or undertaking in favour of the Bank in relation to the Loan.
- 1.35. **"Outstandings"** shall include, at any time, all amounts payable by the Obligors to the Bank pursuant to the Facility Documents including but not limited to the present and future obligations and liabilities of the Obligors to pay/ repay without limitation the principal amount of the Loan, Interest and additional interest thereon and all stamp duties, Taxes, expenses, fees, liquidated damages, indemnities, costs, charges and expenses including without limitation any statutory or legislative charges, penalties, if any, in connection with the Loan; and such other expenses incurred in relation to any exercise by the Bank of its right, together with legal fees and court costs.
- 1.36. **"Pre-closure"** means repayment of the entire dues under the Loan before the tenure stipulated in the Agreement in accordance with the terms and conditions laid down by the Bank.
- 1.37. **"Pre Equated Monthly Installment Interest"** ("PEMII") means the amount of interest payable at the rate as determined in the Agreement on the Loan from the date of disbursement of the Loan to the date immediately prior to the date of commencement of EMI.
- 1.38. **"Processing Fee"** shall mean, at the discretion of the Bank, all such initial payments which shall not be limited to documentation reimbursement, meeting expenses, applicable processing fees, and any other applicable Taxes or charges as may be levied by the Bank for disbursal of the Loan to the Borrower.
- 1.39. **"Public Holiday"** means Second Saturday, Fourth Saturday, Sunday or a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881), and days on which banks are not open for business either in the respective Clearing House or in the place of business of the Bank as set out in the Schedule to the Loan Agreement.
- 1.40. **"Rate of Interest"** shall mean the rate of Interest applicable for the Loan and as more specifically mentioned in the Agreement and as may be amended by the Bank from time to time in accordance with the Facility Documents.
- 1.41. **"RBI"** means Reserve Bank of India.

- 1.42. **"RBI Guidelines"** shall mean any guideline, circular, notification, regulation, requirement or other restriction or any decision or determination relating to taxation, monetary union, capital adequacy norms and other prudential norms on income recognition, asset classification and provisioning pertaining to advances by banks and financial institutions, liquidity, reserve requirements, or reserve asset, special deposit cash ratio, or capital asset requirements or any other form of banking or monetary control issued or made by, or any interpretation, policy or administration of any of the foregoing, by any Competent Authority having jurisdiction over the matter in question, including any of these that has been or may be issued by the RBI in any manner connected with small finance banks in the private sector, whether in effect as of the date of the Agreement or hereafter.
- 1.43. **"Repayment"** means repayment of all Outstandings in respect of the Loan, provided in the Agreement.
- 1.42 **"Repayment Schedule"** means the repayment schedule consisting of Equated Monthly Instalments due along with the Due Dates as specifically mentioned in the Agreement and printed on the loan card given to the Borrower at the time of disbursement.
- 1.43 **"Tax"** includes any and all direct and indirect, present and future taxes, including without limitation any tax, levy, impost, duty, demand, cess, fees, revenues, surcharge, claims, public demands or other charges or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).
- 1.44 **"Top-Up-Loan"** or **"Additional Loan"** shall mean any additional amount of loan, applied for by the Borrower and granted by the Bank during the subsistence of the Loan (i. e., financial assistance granted to meet additional liquidity requirements of Borrower during the Loan).
- 1.45 **"Website"** or **"Official Website of the Bank"** means the website of the Bank, presently being [www.ujjivansfb.in](http://www.ujjivansfb.in).

2. **Interpretation:** In the Agreement and these Terms & Conditions (i) reference to the masculine gender includes the reference to the feminine gender and vice versa; (ii) the meaning of the terms used in the Agreement and these Terms & Conditions, shall be equally applicable for both singular and plural forms of the terms; (iii) unless otherwise specified, reference to a Clause shall mean reference to that particular clause of the Agreement and / or these Terms & Conditions; (iv) reference to any agreement, document, instrument, statute, enactment, ordinance, order, regulation etc. shall be construed to include a reference to the amendments, extensions, re-enactments, supplementals, restatements, novations and/or consolidations thereto from time to time; (v) save and except as specifically provided in the Facility Documents any determination with respect to the 'materiality' or 'reasonability' of any matter including of any event, quantity, degree, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise shall be made by the Bank in its sole and absolute discretion; (vi) all the Schedules, Annexures and Exhibits to the Facility Documents shall form an integral part of the relevant Facility Documents; and (vii) when there is more than one Borrower, the term "Borrower" shall include all such Borrowers including Co-Borrowers and the grammar in these Terms & Conditions shall be deemed to have been appropriately modified.

3. **Loan:** The Bank may at its sole and absolute discretion lend to the Borrower, and the Borrower agrees to borrow from the Bank, the Loan for the purpose and on the terms and conditions set out in the Facility Documents to the extent of the Loan Amount as more particularly set out in the Facility Documents or as may be agreed between the Bank and the Borrower from time to time. The Bank may, based on specific application submitted by the Borrower, grant at its sole discretion Top Up Loan/Additional Loan to the Borrower at such rates of interest as determined by the Bank based on factors including but not limiting to Borrower's repayment records, financial position, the viability of the business of the Borrower, etc. Such Top Up Loan/Additional Loan, shall be in continuation of the Loan and the Borrower shall have to execute requisite further agreement/loan documents in favour of the Bank in relation to such Top Up Loan/Additional Loan. Further, the repayment schedule for all such Top Up Loan/Additional Loan shall be as may be revised by the Bank from time to time and may, at the sole discretion of the Bank, either substitute or be an addition to the existing repayment schedule as on the date of sanction of Top Up Loan/Additional Loan. However, it is clarified that the Bank shall not be under obligation to provide such Top Up Loan/Additional Loan to all the Borrower, whether the same has been applied for or not. If the Borrower has availed any loan and the same is outstanding in the books of the Bank, the Loan shall be disbursed only after the Borrower closing such existing loan. If such existing loan is not closed by the Borrower, the Bank shall have the right to netoff the dues under such existing loan, from and out of the proceeds of the Loan Amount. It is clarified that the netting-off will be done subject to the conditions that may be stipulated by the Bank without causing any prejudice the Borrower due to such netting-off, and accordingly the Borrower shall continue to be liable to repay to the Bank the entire Loan Amount along with Interest and other monies. The Loan or Top Up Loan/Additional Loan may be disbursed by the Bank to the Borrower by way of account credit or through such other permissible mode and such disbursement shall be deemed as disbursed on the date the proceeds of the Loan or Top Up Loan/Additional Loan (as the case be) are actually credited to any account of Borrower or the Bank actually disburses the same (in case of disbursement made in other permissible mode/cash), whichever is earlier, irrespective of whether the disbursement date and/or date of receipt of credit in the account falls a Public Holiday.

4. **Repayment:** The Borrower shall repay to the Bank, the Loan, together with accrued Interests applicable thereon from the date of disbursement, as and by way of EMI and all other Outstandings on or before the respective Due Dates in accordance with the Repayment Schedule as set out in the Facility Documents. The Repayment Schedule shall inter alia contain the EMI (comprising, inter alia, the principal and interest) and the repayment tenure as computed the by the Bank from time to time. The Bank reserves the right to round off EMI received in fractions. This shall, at the discretion of the Bank, result in rounding off fraction of EMI amounting upto Paise 49 to the nearest lesser whole rupee denomination and fraction of EMI amounting more than Paise 50 (upto rupee 1) to the nearest higher whole rupee denomination. In the event any payment/re-payment would otherwise be due on a day which is not a Business Day, it shall be due on the immediate next Business Day. Subject to the terms and conditions under the Facility Documents, the repayment of all amounts under the Loan should be made within the tenure specified in the Facility Documents, in conformity with the repayment conditions stipulated by the Bank. The repayment may be

made by direct debit from the relevant bank account of the Borrower or through any other mode as may be permitted by the Bank. The Bank may, at its discretion, permit payment through National Automated Clearing House Instructions ("NACH") or Electronic Clearing Service Instructions ("ECS") or Standing Instructions ("SI") linked to the Borrower's account with the Bank or through any other mode. The Borrower should execute requisite mandate for registering ECS/ACH/SI. The Bank may execute its rights under the ACH/ECS/SI on the Business Day falling on the previous or the subsequent day of the Due Date and the Borrower should at all times ensure that the funding account is having requisite credit balance to honour such ACH/ECS/SI. The Borrower shall have to execute requisite mandate for registering NACH/ECS/SI in this regard. Payment in cash will be permitted in case there is any technical error in execution of NACH/ECS/SI or the remittance relates to overdue payment or Pre-Closure. Notwithstanding the above, the Borrower shall have to pay to the Bank, on demand being made by the Bank, the balance then outstanding and owing to the Bank inclusive of all Interest upto the date of payment, together with any other charges as demanded by the Bank. In respect of the revisions to be carried out in the Repayment Schedule on account of revision of Rate of Interest, either the repayment tenure or the amount of the EMI shall be subjected to such changes as may be required to give effect to the variation. The EMI should be paid on or before the respective Due Dates. The Bank reserves the right to change the Due Date, during subsistence of the Loan, by notifying such change through electronic media or print media or through display made in the Bank's outlets/branches/offices/Website (the Bank shall ensure that such change does not cause prejudice to the Borrower). The Obligors shall, jointly and severally, ensure that the payment of the EMI is not stopped for any reason whatsoever. Payment of amount in excess of the stipulated EMI will be treated as pre-payment, and the Borrower shall have to pay applicable pre-payment penalty stipulated by the Bank if he/she/they pay(s) amount in excess of the stipulated EMI. Unless the Borrower instructs the Bank in writing simultaneous with making payment of the amount in excess of the stipulated EMI, the excess amount received by the Bank shall be accounted in the concerned account in any of the following manner, at the discretion of the Bank: (a) the excess amount will be appropriated towards the principal amount outstanding under the Loan as on the date of receipt of proceeds of such excess amount, in which case the principal amount under the Loan shall stand reduced to the extent of the amount so appropriated without prejudice to the liability of the Borrower to amortize the Loan in accordance with the Repayment Schedule, OR (b) the excess amount received by the Bank will be credited on the succeeding Due Date(s) (in conformity with the EMI mentioned in the Repayment Schedule) in the concerned account related to the Loan without prejudice to the liability of the Borrower to amortize the Loan in accordance with the Repayment Schedule. It is clarified that, the Bank reserves absolute rights to insist the Borrower to amortize the Loan only in accordance with the Repayment Schedule or to accelerate repayments.

5. **Interest:** The Borrower should pay interest on the Loan, from the date of disbursal of the Loan, at the rate specified in the Schedule forming part of the Agreement. The rate of Interest will be benchmarked to either MCLR or EBLR (as mentioned in the Schedule forming part of the Agreement). The Interest on the Loan shall be charged at the Rate of Interest set out in the Facility Documents and the frequency of the Interest payment shall be as more particularly set out in the Facility Documents. The actual Interest rate shall be a component of either MCLR or EBLR (as mentioned in the Schedule forming part of the Agreement) plus applicable spread (the spread is arrived at by the Bank, as per its laid down guidelines/policies, based on the risk weightage of the Borrower, and the spread may not be uniform for all borrowers). The Interest calculated on the basis of the Rate of Interest shall be rounded off to the next rupee, calculated on monthly rests. Interest shall be calculated on actual number of days taken as 360 (Three Hundred and Sixty) a year. However, the Bank reserves the right to change the Interest calculation logic by notifying the same through display made in the Bank's outlets/branches/offices/Website. Interest shall be payable by the Borrower on a monthly basis on the last Business Day of each calendar month. The Rate of Interest represents genuine pre-estimate of the loss expected to be incurred by the Bank in the event of non-payment of any monies by the Borrower and the Borrower shall be deemed to have acknowledged the genuineness and reasonability of the same.
6. **Change in Rate of Interest or Shifting of Benchmark Rate:** During the tenure of the Loan, the Bank shall have, at its discretion, the right to change/reset/revise the Rate of Interest, at any time and from time to time as per its policy and/or the guidelines issued by RBI or applicable laws or regulations, if any. Further, in case there is any change in the law and/or regulatory requirements by the regulator applicable to the Loan pertaining to provisioning norms and/or risk weightage or based on the changes in the pricing policy of the Bank, then the Bank may change/reset/revise the Rate of Interest in accordance with and/or to ensure compliance with such law/regulatory requirement. The Bank shall intimate the Borrower about such changes, through electronic media or print media or through display made in the Bank's outlets/branches/offices/Website. Also, the Bank shall ensure that such changes are effected only prospectively. Any such change in the Interest rate and periodicity thereof shall be binding upon the Borrower. Notwithstanding anything to the contrary contained herein, the Interest payable by the Borrower to the Bank shall be subject to the changes in Rate of Interest made by the RBI from time to time.
7. **Charges/Fees:** All Processing Fees and charges shall be paid by the Borrower at the time of disbursement of the Loan by the Bank. Failing which, the Bank shall have the sole discretion of withholding any amount/s which may aggregate to the Loan Amount being disbursed. Any such Charges/Fees/Tax should be paid to the Bank by the Borrower forthwith upon debit, or along with the next following EMI. Even if the Borrower chooses not to avail the Loan, he/she/they shall remain liable to pay to the Bank the Processing Fees. Further, such Processing Fees will not be refundable under any circumstances. The Borrower shall also pay to the Bank applicable documentation charges, cheque/ECS/ACH/SI return charges, Late Payment Charges, and all such charges mentioned in the Agreement. The Borrower shall have to pay to the Bank, closure charges not exceeding the amount fixed by the Bank from time to time at the time of closure of the Loan, and this closure charge shall be applicable only for Loans in excess of the limit fixed by the Bank from time to time. All charges/fees will be subject to applicable Tax.
8. **Life Insurance of Borrower:** Borrowers of the Bank who wish to obtain life insurance cover for insuring the lives of the borrowers shall be free, on voluntary basis, to opt for insurance coverage. The Bank will, under no circumstance, insist its borrowers to avail the insurance coverage. The Bank may administer life insurance through selected insurance companies, the list of which may change from time to time. Such insurance, subject to the guidelines of the concerned insurance company, would cover the lives of borrowers. Borrowers who wish to opt for such insurance

coverage should peruse the relevant booklet containing the details of insurance companies with whom the Bank has tie up, the structure of sum assured, rate of insurance premium etc. and clearly understand the benefits and demerits of the insurance coverage prior to opting for insurance coverage. The Bank shall be mere corporate agent in regard to such insurance arrangement and all issues pertaining to such insurance coverage, including the insurance premium, eligibility norms, insurance claims etc., shall be governed by the terms and conditions of the Master Policy of concerned insurer. Insurance coverage will not be available in case of drop-out or pre-payment of the Loan. All matters related to the Policy are subject to the terms and conditions of the Insurer. Any borrower opting for such life insurance being administered by the Bank may pay the applicable premium amount either by depositing with the Bank or by authorizing the Bank to deduct from and out of the proceeds of the Loan, for onward payment to the concerned Insurer(s). If the Borrower authorizes the Bank to deduct the premium from and out of the proceeds of the Loan, the receipt thereof shall be issued by the Bank by way of making suitable entry in the loan card. However, nothing contained herein shall cast any obligation on the Bank to insure the life of the Borrower or to renew the policy/ies. The Borrower shall be solely responsible to obtain credit shield, insuring his/her life and to get such policy/ies renewed from time to time.

The Bank reserves the right (but not bound) to pay the premium on behalf of the Borrower in case of the Borrower's failure and get such amounts reimbursed by the Borrower. The Bank shall have the right to receive and adjust any payment that the Bank may receive in connection with any insurance policy/ies against the Loan and alter the Repayment Schedule as set out in the Facility Documents in any manner as it may deem fit notwithstanding anything to the contrary contained in the Facility Documents or any other document or paper.

9. **Pre-closure:** The Bank may, at its pure discretion, allow the Borrower to pre-close the Loan subject to the terms and conditions stipulated by the Bank from time to time.
10. **Restriction of Liability:** The sanction of the Loan is at the sole discretion of the Bank and the Borrower shall not have any right to insist the Bank in this regard. The Bank does not undertake any obligation to finance any further credit requirements of the Borrower, whether such requirements arise on account of growth in business or otherwise. The Bank is not bound to disburse the Loan even if sanctioned, unless the Borrower conforms to the Conditions Precedent (discussed hereunder) and the terms and conditions governing the Loan. If the Borrower fails to comply with any of the terms and conditions governing the Loan, or if the Bank is of the opinion that the Borrower is not compliant of any terms and conditions governing the Loan, the Bank may cancel the Loan at its discretion, even if the Loan is disbursed in full or in part. The Borrower shall continue to remain at all times liable and responsible for ensuring the payment / repayment of all EMI of Outstandings on or before the relevant Due Date(s) without any further notice / intimation being given by the Bank, at such place/s as the Bank may specify, without any deductions whatsoever so as to enable the Bank to fully realize the amounts due on or before the respective Due Date(s). Credit for payments by any method will be given only after realization, on the Due Date(s) occurring after such realization. The acceptance by the Bank of any payment which is less than the full EMI shall not constitute a waiver of the Bank's right to receive payment in full at such time or at any subsequent time or a waiver of any other rights whatsoever of the Bank.
11. **Representation and Warranties:** (a) Each of the Borrower shall be deemed to have declared, represented and warranted on a continuing basis that: (i) he/she is entitled and empowered to borrow the Loan and execute the Facility Documents; (ii) no civil or criminal proceedings (including but not limited to insolvency proceedings) is/are concluded or initiated or pending or threatened against him/her or his/her assets; (iii) he/she is not a defaulter/wilful defaulter or facing any proceedings for declaring as defaulter/wilful defaulter and, if any lender initiates or threatens any action for declaring him/her as wilful defaulter, the Bank shall have right to take appropriate proceedings against him/her, (iv) the purpose for which the Loan is taken is not illegal, speculative or nefarious; (v) the Loan shall be utilized only for the purpose for which it is sanctioned, and shall not be used for any illegal, anti-social, speculative purposes including but not limited to participation in stock markets/ IPOs etc.; (vi) he/she has paid and will pay when due, all public demands such as income tax, property taxes and all the other taxes and revenues payable to the Government of India or to the government of any state or to any local authority and that as on the date of availing the Loan there are no arrears of such taxes and revenues due and outstanding, (vii) except to the extent disclosed to the Bank in writing he/she is not a Director or relative of a Director or Senior Official of the Bank or any other bank and no Director or Employee of the Bank or any other bank or their relative have any substantial interest in the activities carried out by him/her, (viii) Borrower shall submit to the Bank a certification, in such form, mode and manner stipulated by the Bank, regarding end use of the Loan, and the Bank shall have the right to take appropriate measures (including criminal action) against Borrower if such certification is found to be wrong, (ix) Borrower shall permit and cause to be permitted the Bank to inspect the premises of Borrower to ascertain end use of the Loan. Each of the Representations and Warranties shall be deemed to be repeated by the Borrower on continuing basis, including while availing the Top Up Loan/Additional Loan, till closure of the Loan and the Top Up Loan/Additional Loan. Each of the Obligor shall be deemed to have represented and warranted to the Bank that he/she shall ensure strict compliance of the covenants/obligations in the Facility Documents by the Borrower.
12. **Conditions Precedent:** The Bank shall make any disbursement under the Loan subject to the fulfilment of the following conditions:
  - a) The Obligors meeting the Bank's requirement of creditworthiness. The Bank shall be entitled to make or cause to be made market inquiries or Credit Bureau checks of such nature as the Bank may deem fit in this regard and, further, it shall be entitled to call for such credentials from the Obligors as may be required.
  - b) The Obligors are in compliance of all the terms and conditions under the Facility Documents, and there exists no default or breach under the Agreement or any circumstance which may make it improbable for the Obligors to fulfil his/her/their obligations under the Facility Documents.
  - c) In relation to the Obligors, absence of any pending, ongoing or threatened proceedings which, if adversely determined, may have an adverse effect on: (i) the ability of the Obligors to comply with the Facility Documents, or (ii) the interests of the Bank.
  - d) Execution, filing, registration and delivery, by the Obligors, of all Facility Documents in the form, manner and substance acceptable to the Bank.

- e) If required by the Bank or under any law provision of such evidence as may be acceptable to the Bank, the Borrower to satisfy the Bank: (i) about the utilization of the proceeds of the prior disbursements (if any) under the Loan, and (ii) that the disbursement is required for and shall be utilized only for the purpose for which the Loan is sanctioned.

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

- a) Non-payment of amounts payable under the Facility Documents (including but not limited to EMI) on the relevant Due Date thereof. It is clarified that only the Due Date shall be reckoned for the purpose of guidelines of RBI on Income Recognition, Asset Classification and Provisioning pertaining to Advances, irrespective of whether or not the Bank has granted at its discretion, grace period (if any) for repayment of EMI.
- b) Where any NACH/ECS/SI is not renewed before the relevant Due Date or if any payment made by the Obligors to the Bank fall short of the payment required to be made by the Borrower with respect to the amount due from the Borrower to the Bank.
- c) Breach of any terms and conditions of the Facility Documents.
- d) Any information given by the Obligors to the Bank while availing the Loan or as confirmed in the Facility Documents is / are found to be misleading or incorrect.
- e) Failure of the Obligors to inform the Bank of the occurrence of any Event of Default or any event which after the notice or lapse of time, or both, would become an Event of Default.
- f) Any default by any of the Obligor under any credit facility agreement or arrangement entered into by the Obligor with the Bank, any bank and/or financial institution/ non-banking financial company and/or other creditors, either under the Facility Documents or vice-versa (“**Cross Default**”).
- g) Initiation or threatening of any proceedings for declaring the Obligor as insolvent or wilful defaulter or passing of any order passed against the Obligor thereunder.
- h) One or more events, conditions or circumstances exist or shall have occurred which will have a Material Adverse Effect on the Loan.

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

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

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

- 14.** The Bank on its part is not obligated to provide any statements of the Loan account to the Borrower during the course of the Agreement or the Loan unless specifically requested by the Borrower. The Borrower shall pay such charges for this service as may be decided by the Bank from time to time.

- 15.** Without being obligated to do so, the Bank shall be entitled to monitor the use/end use of the Loan including through any auditor(s) or consultant(s) with necessary certification from them, as appointed by the Bank at its sole discretion and at the cost of the Borrower.

**16. Remedies of the Bank:**

- a) The remedies discussed herein shall be without prejudice to the rights and remedies available to the Bank under equity and under Applicable Law.
- b) If one or more of the events specified in this clause shall have occurred, the Bank may, by issuing 7 (Seven) days’ notice in writing to the Borrower declare that the principal amount of the Loan and all accrued Interest has become payable forthwith by the Borrower to the Bank and the Bank may at its sole discretion terminate the Agreement:
  - i) Failure of Borrower to pay the loan or processing fee, insurance charge and insurance premium or if any EMI or any other amount due remain unpaid for a period of 30 (Thirty) days from the Due Date;
  - ii) Breach of the term and conditions and covenants under the Agreement or this Terms and Conditions by the Borrower;
  - iii) Any information/document submitted by the Borrower to the Bank is found false or incorrect;
  - iv) Adverse material change of the Borrower, as a result of which the Bank deems itself to be, insecure or the Borrower has been declared and insolvent or there exists any other circumstance which, in sole opinion of the Bank, jeopardizes the Bank’s interest;
  - v) Usage of proceeds of the Loan by the Borrower for any purpose which may be deemed as illegal, antisocial, or speculative purpose including but not limited to participation in stock markets/IPOs;
  - vi) Proceedings for misconducts are taken against the Borrower by any Government, Quasi Government or other authority; or
  - vii) If whereabouts of the Borrower is not known for a period of 30 (Thirty) days or more.

- vii) Proceedings for misconducts are taken against the Borrower by any Government, Quasi Government or other authority; or vii) If whereabouts of the Borrower is not known for a period of 30 (Thirty) days or more.
- c) If the Borrower fails to pay any monies on the Due Date or which may be declared due prior to the Due Date or commits any other default under any agreement (including the Agreement) in favour of the Bank, the Bank shall, without prejudice to any of its rights under each of the agreements, be absolutely entitled to exercise all or any of its rights under any of the agreements entered into by the Borrower in favour of the Bank, and/or withhold applicable amount/documents of the Borrower and/or terminate without any notice to the Borrower, any of the agreement (including the Agreement) in favour of the Bank at the sole discretion of the Bank.
- d) The remedies may be exercised by the Bank, through its representatives, servants, officers, agents, third party/recovery agents and/or such other person as may be appointed by the Bank.

The Bank shall, without prejudice to its rights to perform the remedies by itself, perform the remedies through its representatives, servants, officers, agents, third party/recovery agents and/or such other person as may be appointed by the Bank by delegating to such representative, servant, officer, agent, third party/recovery agent and/or such other person all or any of its functions rights and powers under the Facility Documents relating to the administration of the Loan including the rights and authority to collect and receive on behalf of the Bank from the Borrower all dues and unpaid instalments and other amounts due by Borrower under the Facility Documents and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto including sending notices contacting the Borrower, receiving cash/cheques/drafts/mandates etc. from the Borrower and giving valid and effectual receipts and discharge to the Borrower. For the purposes aforesaid or for any other purposes at the discretion of the Bank, the Bank shall be entitled to disclose to such third parties all information pertaining to the Obligors and the Loan. Notwithstanding the above, the Bank (and/or any such third party as the Bank may select) may contact any third parties (including the family members of the Obligors) and disclose all necessary or relevant information pertaining to the Obligors and the Loan. The Obligors shall have the right to disagree with this right of the Bank at any time, and the Bank shall consider such requests if the Obligor serves upon the Bank requisite request in writing in advance in this regard.

17. **The Bank's Right of General Lien and Set Off:** The Bank shall have general lien and right of set off on all the deposit accounts maintained by the Borrower with any branch of the Bank and/or on all articles or assets (whether movable or immovable) of the Borrower in the custody of the Bank either as securities for any other loan/advance availed by the Borrower from the Bank or kept in safe custody/safe deposit vault. In the Event of Default being committed by the Borrower in payment of the installments, the Bank is authorized to exercise its right of set off and appropriate any deposits maintained by the Borrower with any branch of the Bank. The Bank will be within its rights to sell/dispose of all such articles/assets held by the Bank, at its discretion, if the Bank observes any breach of terms of the Agreement or Terms & Conditions and appropriate the proceeds in satisfaction of the dues owed by the Borrower to the Bank. In addition to the above mentioned rights or any other right which the Bank may at any time be entitled whether by operation of law, contract or otherwise, the Bank will have absolute rights to: (a) combine or consolidate at any time all or any of the accounts and liabilities of the Borrower with or to any branch of the Bank and (b) sell or dispose of any of the assets of the Borrower held by the Bank, by way of public or private sale or assignment or in any other manner whatsoever without having to institute any judicial proceeding whatsoever and retain/appropriate from the proceeds derived there from the total amounts outstanding to the Bank from the Borrower, including costs and expenses in connection with such sale/disposal/transfer/assignment.
18. **Assignment:** The Borrower shall not be entitled to assign his/her rights and/or obligations under the Facility Documents to anyone. However, the Bank shall be at liberty to assign its rights and/or obligations, or to shift, at its discretion, without notice to the Borrower, from time to time a part or portion or whole of the Outstandings in the limit/s of the Loan (hereinafter referred to as the "**Participation**") to one or more scheduled commercial banks (hereinafter referred to as the "**Participating Bank/s**") under the provisions of the Uniform Code Governing Inter Bank Participations, 1988, or its amendments (copy of which can be had from the Bank against requisition), which the Borrower shall be deemed to have read and understood. The Participation shall not affect the rights and obligations, inter se, Borrower and the Bank in respect of the Loan, in any manner whatsoever. The Borrower shall not have and shall not claim any privity of contract with any such Participating Banks and the Bank shall, and shall continue to, represent the Participating Banks in all respects and for all matters arising out of/relating to the Participation.
19. The Bank shall have the right to retain or to destroy at its pure discretion, the documents/information submitted by the Borrower in connection with the Loan, upon closure of the Loan.
20. **Governing Law & Jurisdiction:** These Terms and Conditions and the Facility Documents shall be construed in accordance with the law in force in India. If any controversy or dispute should arise between the Parties in performance, interpretation or application of the Terms and Conditions and the Facility Document involving any matter, the same may be resolved amicably between the Parties. Any or all disputes arising out of Terms and Conditions and the Facility Document shall be subject to the sole and exclusive jurisdiction of the Courts and Tribunals within whose jurisdiction the branch/office of the Bank from which Borrower has his/her Loan account is situated.
21. **Notice:** Any notice or request or communication to be given or made by a party to the other shall be in writing and shall be sent to the concerned party(s) at the address mentioned/specified in the Agreement. The notice/request/communication sent by the Borrower should be by way of pre-paid registered AD post/speed post and to be sent to the address of the Bank (mentioned in the loan card) and shall be deemed to have been received by the Bank, when it shall have actually been received by the Bank at the address. The notice/request/communication sent by the Bank may be sent in any manner that the Bank may so deem fit and proper (in its sole and absolute discretion) and the same shall be deemed to have been received by the Borrower: (a) if given by post on the expiration of 2 (Two) days after the same shall have been delivered to the post office and for proving the service it shall be sufficient to show that the envelope containing the notice was properly addressed and posted, and (b) if delivered personally, when left at the address of the Borrower (mentioned in the Agreement), and a certificate by

## 22. Miscellaneous:

- (a) The Bank shall without prejudice to its rights to perform such activities itself or through its officials or servabe absolutely entitled and have full powers and have authority to appoint one or more third parties of the Bank's choice to transfer and delegate to such parties the right and authority to collect on behalf of the Bank the instalments, charges, unpaid amount and other sums due to the Bank under the Facility Documents.
- (b) A demand promissory note to be executed by Borrower in favour of the Bank for the Loan Amount, if so stipulated by the Bank without any demur as and when called upon to do so by the Bank.
- (c) Any amendment/alteration/modification in the Loan, Rate of Interest, additional interest, Amount of Instalment, Number of Instalment or any other condition related to the Loan shall be deemed to have been substituted here in the Facility Documents immediately upon such amendment/alteration/modification by the Bank. (d) The Obligors shall comply, jointly and severally with all applicable laws and regulations from time to time in force including any amendments, modifications or changes thereof which may be made to any such laws and regulation.

## 23. Other Conditions: -

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

## 24. Other Disclosures:

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

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



East	West	North	South
Regional Nodal Officer Ujjivan Small Finance Bank Ltd., 4th Floor, Rishi Tech Park, Premises No.020360, Plot No.DH-6/2, Action Area 1D, New Town, Kolkata - 700 156 Contact Number: +91 33 4045 2171 Ext: 171 Email: <a href="mailto:rno.east@ujjivan.com">rno.east@ujjivan.com</a>	Regional Nodal Officer Ujjivan Small Finance Bank Ltd., Almonte IT Park, SR No: 8, 7th Floor, Next to Reliance Smart, Hadapsar Mundhwa Bypass, Village Kharadi, Pune - 411 014 Contact Number: +91 20 41412121 Ext: 130 Email: <a href="mailto:rno.west@ujjivan.com">rno.west@ujjivan.com</a>	Regional Nodal Officer Ujjivan Small Finance Bank Ltd., Block-D, Plot No: 7, Vyapar Marg, GMTT Building, 2nd & 3rd Floor, Block D, Sector 3 Noida, Uttarpradesh - 201 301 Contact Number: +91 0120 6262121 Ext: 120 Email: <a href="mailto:rno.north@ujjivan.com">rno.north@ujjivan.com</a>	Regional Nodal Officer Ujjivan Small Finance Bank Ltd., Grape Garden, No: 27, 3rd A Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560 095 Contact Number: +91 80 4071 2121 Ext: 874 Email: <a href="mailto:rno.south@ujjivan.com">rno.south@ujjivan.com</a>

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