



# JANA SMALL FINANCE BANK

A SCHEDULED COMMERCIAL BANK

## LOAN AGREEMENT

This Loan Agreement is entered into on this \_\_\_\_\_ day of Date:  
\_\_\_\_\_ at Place: \_\_\_\_\_

### Between:

The **BORROWER(s)**, whose details are given in the **Schedule-I**, and hereinafter referred to as the “Borrower” which term shall be deemed to mean and include unless the context otherwise requires or permits all their legal heirs, executors, administrators, and representatives or, its successors, and permitted assigns of the one Part;

### A N D

**Jana Small Finance Bank Limited**, (Formerly known as Janalakshmi Financial Services limited) a Company defined under Companies Act, 1956 and registered under Banking Regulation Act, 1949 and licensed to carry on the Small Finance Bank and having its

Registered Office situated at The Fairway Business Park, 1st Floor, Off Domlur, Koramangala Inner Ring Road, Challaghatta, Bengaluru – 560071, and one amongst Branch office at the place specified in the **Schedule-I** hereto, hereinafter referred to as the “**BANK**” which term shall be deemed to mean and include unless the context otherwise requires or permits, its successors, constituted attorneys and permitted assigns of the other Part;

The ‘Borrower’ and the ‘Bank’ shall together be referred to as ‘Parties’ and individually as ‘Party’.

### WHEREAS:

- a. The Bank is a Small Finance Bank which is, inter alia, in the business of extending Banking facilities.
- b. The Borrower has approached the Bank for a loan/financial assistance of the amount stated in Schedule - I hereto, which the Bank has agreed to grant subject to the terms and conditions as contained herein.
- c. The parties hereto are desirous of recording the terms and conditions in relation to the proposed Loan to be made by the Bank to the Borrower and certain other matters related thereto in the manner hereinafter contained.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

### 1.1 DEFINITIONS:

‘Agreement’ means this agreement for loan, all amendments to this agreement (as amended from time to time) duly executed by all Parties, Sanction letter and shall include all schedules and annexure attached hereto.

‘Application’ means loan application form submitted by borrower/co-borrower / Guarantor/Mortgagor with details, information and declaration provided to the Bank for the purpose of availing this credit facility/loan facility.

‘Borrower’ shall mean and include any person(s)/entity to whom the Bank has agreed to grant the facility including any co-borrower whose details are given in Schedule-I hereto and who have received the loan pursuant to this Agreement and unless repugnant to the context or meaning thereof be deemed to include his/her/its/their heirs, legal representatives, successors, permitted assigns, executors, receivers, administrators as the case may be.

‘Conditions Precedent’ means the pre-Disbursement conditions of the Loan, as specified in clause 4 of this Agreement, in addition to any such condition specified in the Sanction Letter duly accepted by the Borrower.

‘Designated Account’ means the account mentioned in Schedule-II attached hereto.

‘Encumbrance’ includes a mortgage, charge, lease, tenancy, leave and license, pledge, hypothecation, security interest or lien of any description whatsoever.

‘Guarantee’ means the guarantee (if any) given by the Guarantor to discharge the liability of the Borrower in case of his/her/its/their default under this Agreement or any amendment, modification, supplemental agreement in relation hereto or any other due of the Borrower whether in relation to the Loan or otherwise.

‘Guarantor’ means the person/s who has/have given the Guarantee and where such person/s is/are individual/s, it would include his/her, its, theirs heirs, executors, administrators and legal representatives and where such person/s is/are a partnership firm, it would include the partners for the time being and their respective heirs, executors, administrators and legal representatives, and where such person is/are corporates, it would include its successors and assigns.

‘Loan’ shall mean the term loan facility/credit facility, which has been agreed to be granted by the Bank to the Borrower for the Purpose, in the manner and upon the terms and conditions specified in this Agreement/Sanction letter.

‘Loan/Facility Documents’ means and includes Application Form(s), the Standard Terms, undertakings, indemnities, all writings and other documents executed or entered into, or to be executed or entered into, by the Borrower/s or, as the case may be, any other person, in relation, or pertaining, to the Facility and each such loan/facility Document/s as amended from time to time.

‘Material Adverse Effect’ shall mean an event that may, in the opinion of the Bank, impair the financial condition of the Borrower or the ability of the Borrower to perform or comply with its material obligations under this Agreement or/and security documents.

‘Prepayment’ shall mean repayment of the Outstanding Balance, or any part thereof by the Borrower, prior to the relevant Due Date as more particularly provided for in schedule of charges (Prepayment and Foreclosure).

‘Pre-Equated Monthly Instalment Interest/Pre-EMI’ means interest payable by the Borrower/s on the Loan Facility from the date/respective dates of disbursement of the Facility up to the date immediately prior to the date of commencement of the first EMI.

‘Property’ means the immoveable property for the purchase of which and/or against the security of which the Loan has been availed of by the Borrower more particularly

described in Schedule -II hereto includes buildings and structures, present and future, all tangible and/or intangible properties, all accretions, additions, accessories, fixtures and fittings, buildings, structures constructed or erected thereon.

‘Rate of Interest (ROI)’ means the rate of interest referred in the Agreement and opted by Borrower (a) Fixed rate of interest or (b) Floating rate of interest (c) Fixed for 39 months and then Floating rate of interest which is applicable to the facility/loan.

‘Fixed Interest Rate’ shall mean the fixed percentage rate per annum specified in Schedule-II hereto which shall remain fixed for the entire tenor of the Loan.

‘Floating Interest Rate’ shall mean the variable or adjustable rate of interest applicable to the facility/loan calculated based on the Jana Small Finance Bank’s MCLR or external benchmark linked to TBLR which is detailed in Schedule-II.

‘Hybrid loan/Hybrid rate interest’ mean the interest rate which is to be computed at the fixed percentage rate per annum specified in Schedule - II hereto for the period specified in Schedule - II hereto and after the expiry of the said period, to be computed as the aggregate of the spread specified by the Bank and applicable from time to time linked to the external Benchmark TBLR, for the balance tenor of the Loan (in case the Interest Rate for the Loan is a Hybrid Interest Rate).

‘Repayment/Repayment schedule’ means the repayment of the principal amount of the loan, interest thereon, commitment and/or any other charges, premium, fees or other dues payable in terms of this Agreement to the Bank/Sanction letter.

‘Standing Instructions’ hereinafter referred to as (SI) mean written instructions given by the borrower(s) to the Bank to debit the account of the borrower(s) maintained in the Bank for the amount of EMI including the NACH mandate or any other mode of electronic payment.

‘Security’ shall mean such security as may be created or agreed to be created by the Borrower in favour of the Bank to secure the payment of the Dues by the Borrower to the Bank.

‘Security Document’ means any document in relation to the Security created/to be created in favour of the Bank (including the mortgage) from time to time executed or to be executed by the Borrower or any third party security provider to secure payment of the Dues by the Borrower to the Bank.

‘Treasury Bill Benchmark linked Lending Rate’ - (TBLR) is an external benchmark linked lending rate. Treasury bill is a short term (up to 6 months) debt issuance from the Government of India. Financial Benchmarks India Pvt. Ltd. (FBIL) is an independent benchmark administrator and provides daily T-Bill rate Benchmarks which are available at <http://www.fbil.org.in/>.

**1.2 INTERPRETATIONS:** The terms and expressions not herein defined shall where the interpretation and meaning have been assigned to them in terms of the General Clauses Act, 1897, have that interpretation and meaning.

References to the masculine gender include references to the feminine gender and the neuter gender and vice-versa.

In the event of any disagreement or dispute between the Borrower/s and the Bank 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

Bank as to the materiality or reasonableness of any of the foregoing shall be final and binding on the Borrower/s;

All capitalised terms used but not specifically defined herein shall have the respective meanings ascribed to them under the Loan/facility Documents.

**2. LOAN AND DISBURSEMENT:** At the request of the Borrower, the Bank hereby agrees to provide to the Borrower, and the Borrower hereby agrees to avail of the Loan the amount mentioned in Schedule-II for the purpose(s) set forth in the Borrower's proposal/Application Form and subject to the conditions hereof and the Application Form and the Sanction Letter. The Bank shall disburse the Loan in one lump sum or in tranches as per the needs of the Borrower and/or after taking into consideration the certificate of the architect or documentary evidence to the satisfaction of the Bank with respect to the progress of construction. The Bank shall have the right not to release the money till such time it is satisfied about progress of the Project. The decision of the Bank in this regard shall be final and binding on the Borrower. The Borrower shall acknowledge the receipt of the disbursement letter issued by the Bank, in the form required by the Bank, of each amount so disbursed.

Subject to the provisions of Sanction and terms of this agreement, the Loan Amount shall be disbursed upon the receipt of the drawdown request by the Borrower within the Availability Period or in such other manner as the Bank, in its sole discretion, may deem fit.

At the specific request of the Borrower, the disbursement of the Loan or any part thereof by the Bank may be made to the Borrower, or directly to the developer /builder/construction company/contractor/seller of the Property, where applicable or any other Person, as the Bank may in its sole discretion deem fit. In case the Loan being availed of by the Borrower is in balance transfer/takeover of a credit facility/ loan earlier availed of by the Borrower from another bank/financial institution, the disbursement of the Loan Amount or any part thereof by the Bank may be made to the Borrower, or directly to such other bank/financial institution or any other Person, as the Bank may in its sole discretion deem fit. All such payment of the amount of the Loan/Facility to such Person(s) as may be directed by the Borrower/s shall be deemed to be disbursements made to the Borrower/s and the Borrower/s shall not thereafter dispute such disbursements. The Borrower/s authorises the Bank to handover the amounts of the Facility directly to the aforesaid Persons and the Bank shall not be liable once such disbursement/s has been made.

In the event that the Borrower, has failed to avail of/draw down the entire Loan or part thereof sanctioned by the Bank to the Borrower, within the Availability Period, the Borrower shall not be entitled to drawdown or receive any part of the undisbursed Loan, except with the prior written consent of the Bank, and the Bank may at its discretion consider / treat such part of the Loan which is not disbursed as cancelled.

Disbursements under the Facility shall be deemed to be made on the date the cheque(s) / pay order(s) / authorization(s) / demand drafts are issued/made by the Bank and not on the date of their actual receipt, and if by credit, when credit is made by the Bank.

The Borrower(s) agrees that the loan granted and agreed to be granted or continued shall be governed by the terms and conditions as set out in the Sanction Letter as also herein contained as well as those embodied in the relative security documents.

**3.1 PAYMENT, INTEREST AND OTHER CHARGES:** The Borrower shall pay promptly, in full, the Pre-EMIs (If applicable), EMIs, interest 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 Due Dates on which the same are due.

The Borrower agrees, undertakes and covenants that until the date of the repayment of the entire Secured Obligations, the Borrower shall pay Interest on the entire Outstanding Balance, at the Interest Rate, on a monthly basis, which shall comprise part of the EMIs or Pre-EMIs, as the case may be, which Interest shall be calculated based on the actual number of days passed, with monthly rests and be compounded on a monthly basis, based on a 365-day year or such other basis as the Bank may determine from time to time.

**3.2 RATE OF INTEREST:** The applicable rate of interest **a)** Floating rate of Interest **or b)** Fixed rate of Interest **or c)** Hybrid interest rate - Fixed Rate of interest for 39 months and then Floating Rate of interest for the facility agreed/opted by the Borrower which is clearly specified in the Schedule-II hereto.

**Fixed Rate of Interest:** Interest shall be charged at a fixed rate of interest being \_\_\_\_\_% p.a. computed as 6 months TBLR of \_\_\_\_\_% and spread of \_\_\_\_\_% and calculated on daily balance of the loan amount at monthly rests. Interest rate on the facility will remain fixed for the entire tenor of the facility from the date of first disbursement. The rate of interest payable by the Borrower/s shall be subject to changes based on guidelines /directives issued by RBI to banks from time to time/money market condition. The Borrower/s also note and acknowledge that Bank is obliged to give effect to any revision of interest rates, whether upwards or downwards, on all Existing advances/financial assistances as per the RBI guidelines/directives.

**OR**

**Floating rate of Interest:** Interest shall be charged at a floating rate of interest \_\_\_\_\_% p.a. until varied by the Bank in terms of this Agreement, the Borrower shall pay the floating rate of interest prevailing TBLR + margin/spread plus applicable interest tax and/ or other statutory levies.

The Borrower shall pay Pre-EMI at \_\_\_\_\_% per annum until commencement of the EMI payable on the dated mentioned below plus applicable interest tax and /or other statutory levies.

[Details of spread captured in the Schedule-II.]

**OR**

**Hybrid interest rate:** Interest rate will be computed at the fixed percentage rate per annum specified in Schedule I hereto for the period specified in Schedule I hereto and after the expiry of the said period floating rate of interest will be applicable to be computed as the aggregate of the spread specified by the Bank linked to the external benchmark-TBLR for the balance tenor of the Loan;. After expiry of the Fixed Interest Rate Period, the Interest rate shall automatically stand converted into floating Interest Rate and from such conversion date, floating Interest Rate shall commence and the terms applicable for Loan at floating Interest Rate shall apply.

[**Treasury Bill Benchmark linked Lending Rate-(TBLR)** is an external benchmark linked lending rate. Treasury bill is a short term (up to 6 months) debt issuance from the Government of India. Financial Benchmarks India Pvt. Limited (FBIL) is an independent benchmark administrator and provides daily T-Bill rate Benchmarks which are available at <http://www.fbil.org.in/>

In the event of any increase in the Floating Interest Rate, and consequential increase in the EMIs/ Pre-EMIs which are required to be paid by the Borrower, as provided

above, the Borrower shall be required to pay such increased EMI/ Pre-EMI amount and/or the resultant differential amount as determined by the Bank in its sole discretion and intimated to the Borrower. Consequent to any downward revision in the Floating Interest Rate, the Bank may, in its sole discretion, reduce the EMI amount and in such event, the Borrower shall adhere to the procedure prescribed by the Bank in its sole discretion and to do all such acts or deeds as the Bank may require in order to give effect to such reduced EMI amount.

Where the interest is charged by the Bank at a concessionary rate(s) owing to the said facilities being granted under the Interest Subsidy Scheme or any other schemes formulated by the Government and/or the Reserve Bank of India and/or any other authority from time to time, the Borrower(s) agrees and confirms that in the event of the withdrawal, modification and/or variation of such scheme(s), the concessionary rate(s) of interest shall stand withdrawn and the usual rate(s) applicable at the material time shall become effective and be applicable and the Borrower(s) shall also pay the difference between such concessionary rate(s) and the usual rate(s) of interest from the date, the withdrawal or modification or variation becomes effective. The Bank shall be entitled to revise the rate of interest at any time and from time to time as per its Policy, market conditions and /or applicable laws and regulations, if any, during the tenure of the loan at its sole discretion. The change in the rate of interest will be displayed on the notice board of the bank and on the website. Such displacement or publication shall constitute notice of change in rate of interest to the Borrowers and Guarantors. The Bank shall inform the borrower about the variation in the Rate of Interest in due course.

**3.3 MODE OF PAYMENT OF INTEREST/RE-PAYMENT:** Payments can be made through Cheque/s, Bank Demand Draft/s, Pay Order/s, Standing Instruction/s, NACH or in such other manner as may be approved by the Bank and the payment shall be made in such manner so as to be realized by the Bank on or before due dates applicable. It shall be the responsibility of the Borrower to ensure adequacy of funds in the bank account from which the repayment is being made.

The Borrower/s shall not be entitled to cancel or issue stop payment instructions with respect to the post-dated cheques for so long as the Facility (or any part of the Borrower/s' Dues) is outstanding and any such acts of the Borrower/s shall be deemed to have been committed with an intention to cheat the Bank and avoid prosecution under the Negotiable Instruments Act, 1881, and the Bank shall be entitled to initiate appropriate criminal proceedings against the Borrower/s.

The Borrower/s shall promptly replace the post-dated cheques and/or the mandates, agreements and/or other documents executed for payment of the Instalments and issue fresh post-dated cheques, mandates, agreements and/or other documents in lieu thereof to the satisfaction of the Bank, if the Bank is facing any difficulty / inconvenience / impediment for any reason whatsoever in presenting such cheques / issuing debit instructions or if required at any time by the Bank at its sole discretion.

**3.4 DEFAULT INTEREST:** In the event the Borrower commits a default in the payment of the Loan amounts due and payable hereunder, or if the Borrower commits any breach or default of any other condition of this Agreement, the Borrower shall be liable to pay default interest at the default rate set out Schedule hereunder/ Sanction Letter on the overdue amount from the date of default until full and final settlement ("Default Interest"). For example, if the due date is 2nd day of every month and the Borrower pays the Instalment amount on 30th of the month, the Bank shall levy Default Rate of Interest starting from 3rd upto 30th. In a second scenario, if the Borrower does not pay on the Due Date and the Instalment amount remain unpaid for a continuous period of 30 days, the Bank shall have the right to (a) levy default interest; (b) report the Borrower as an SMA-0. If the Borrower further continues to default in repayment from a period of 30 days upto 60 day, the Bank shall report the Borrower as SMA-1 and levy default interest. If the Borrower further

continues to default in repayment from a period of 60 days upto 90 day, the Bank shall report the Borrower as SMA-2 and levy default interest. The Bank shall additionally have the right to call and Event of Default in accordance with this Agreement at any time upon an event of non-payment.

**4. CONDITION PRECEDENT:** Disbursements under the loan shall be made subject to fulfilment and compliance of this Agreement for loan and all other standard documents and writings executed by the borrower(s) and as specified by the Bank, including the following:

- a. No event of default has occurred or is subsisting;
- b. The borrower(s) furnishing the evidence that the disbursement requested is required by the borrower(s) for the purpose for which the loan was initially approved.
- c. The borrower(s) furnishing such documents, evidences and writings as may be required in connection with the requested disbursement;
- d. No circumstances shall have occurred which in opinion of the Bank may make it impossible for the borrower(s) to fulfil the obligations under documents executed as per Agreement for loan and other standard documents executed by the borrower(s) for availing the loan.
- e. The borrower(s) delivering the evidence to the Bank's satisfaction that all consents, approvals and permissions required to avail the loan and to comply with all documentation related to availing the loan including creation of security is completed.
- f. The borrower(s) having furnished copy of the insurance policy in respect of the property (ies) endorsed in favour of the Bank as loss payee.

**5. REPRESENTATIONS AND WARRANTIES:** The Borrower represents and warrants (a) That the Borrower is entitled and empowered to borrow the Loan, provide the security documents, and execute the promissory notes if any and all other documents and papers in connection with and upon execution of the same will create legal and binding obligations on the Borrower and shall be enforceable in accordance with their respective terms. (b) That the Borrower confirms the accuracy of the information given in its Loan application made to the Bank and any other prior or subsequent explanation given to the Bank in this behalf. (c) That there has been no material adverse change in the financial condition of the Borrower nor has any event taken place which is prejudicial to the interest of the Bank which is likely to materially and/or adversely affect the ability of the Borrower to perform all or any of its obligations under this Agreement. (d) that the Borrower has paid and will pay when due all public demands such as income tax, property taxes and all other taxes and revenues payable to the government or any local body/authority. There are no proceedings pending against the Borrower or any of the Borrower's properties under the provisions of the Income Tax Act, 1961.

**6. PRE-PAYMENT/PART PAYMENT:** The Borrower/s shall not, without the approval of the Bank (which approval may be given subject to such terms and conditions as may be stipulated by the Bank including payment of minimum prepayment amount, prepayment charges or discounted interest and/or any other charges, plus applicable interest tax or other statutory levy), prepay the outstanding principal amount of the Facility in full or in part, before the Due Dates. In the event any part prepayment of the Facility is permitted by the Bank, the Bank shall be entitled to amend the repayment schedule/amount of Instalment(s) as specified in the Application Form(s) and the Borrower/s shall thereafter make payment of the Instalments as per such amended Application Form(s).

Full prepayment of the Loan would not be permitted unless the Borrower makes payment of the applicable prepayment Charges mentioned in Schedule –II hereto and under this agreement, along with interest amount for the balance tenure of lock-in period [if applicable]. For any part or full pre-payment, borrower will have to give a prior notice of 10 days to the Bank.

The Borrower(s) shall pay to Bank, the charges, fees, etc., specified in the Schedule hereto/ Application or as specified by the Bank from time to time, within such time or upon occurrence of such events as specified and if not specified then forthwith upon demanded by the Bank. All other present and future costs and expenses, taxes (as applicable from time to time), any related levy, stamp duty, in all jurisdictions, in relation to this document/other documents/any transaction pursuant thereto, irrespective of who the beneficiary is, shall be borne and payable solely by the

Borrower, including for creation, enforcement, preservation of security, recovery, initiating/defending/pursuing any legal proceedings/ actions by Bank. In case of any such sums if paid or incurred by the Bank, the Borrower shall be liable to reimburse the same to the Bank in full forthwith.

**7. SECURITY:** The Borrower/s shall create/cause to be created such security on such assets /property more fully specified in the Schedule-II (including any account/s and/or receivables of the Borrower/s and / or any other person/s acceptable to the Bank), and/or cause such guarantee/s to be furnished, as may be considered appropriate by the Bank, in favour of the Bank, in a form and manner satisfactory to the Bank, as security for payment / repayment of the loan/Facility together with all interest, costs, charges, expenses and all other monies whatsoever stipulated in or payable under the Loan/Facility Documents. Such security shall be created / guarantee/s furnished within such period as may be required by the Bank and the Borrower/s shall comply with all formalities in relation to such creation of security / furnishing of guarantee/s to the satisfaction of the Bank.

Security, if any, created by the Borrower/s and/or any other person in favour of the Bank in connection with the repayment / payment of the Borrower/s' dues shall continue until the full payment of all monies due under/in respect of the Facility and (a) shall not be discharged by intermediate payment by the Borrower/s or any settlement of account by the Borrower/s; (b) shall be in addition to and not in derogation of any other security which the Bank at any time hold in respect of the Borrower/s' dues; (c) shall be available to the Bank until all accounts between the Bank and the Borrower/s in respect of the Facility/loan are ultimately settled.

If the security which the Borrower/s may furnish to the Bank is found to be insufficient / incorrect in value, the Bank may direct the Borrower/s to furnish additional security. If the security which the Borrower/s may furnish or the additional security, if any, is subsequently found to be of inferior value to that as declared by the Borrower/s at the time of availing the Facility and as declared in the Application Form(s), the Bank may, in its discretion, treat such default as an event of default under facility/loan Documents.

The Borrower shall furnish and create such security from time to time in favour of or for the benefit of the Bank, of such value, in such form and in such manner, as may be deemed fit by the Bank, forthwith upon so required by the Bank. The Bank shall also have the right to stipulate any other and further terms and conditions that it may deem fit at any time prior to or after the grant of the Loan, which shall be binding on the Borrower.

The Borrower agrees and undertakes that the Borrower shall cooperate and comply with any directions and requests, which may be given by the Bank to the Borrower, and do all such acts, deeds and things which may be so required, to perfect the Security created under the relevant Security Document(s) pursuant to this Clause including without limitation all regulatory filings, registrations, intimations to be made/given, with/to any Governmental Authority, including without limitation under the provisions of the Registration Act, 1908 as applicable to the relevant state in India where the Property is situated and/or the Security is being created.

**8. THE PROPERTY(IES):** The Borrower shall be solely and exclusively responsible for the quality, condition, fitness of the Property(ies) and for getting/ensuring delivery of the Property(ies) from the seller / developer / builder / promoter, as the case may be, and the Bank shall not be liable or responsible for any delay in delivery (or non-delivery) of the Property(ies) or any demurrage cost or for any defect or variation in the quality, condition or fitness of the Property(ies) or any guarantees or warranties given by the seller / developer / builder / promoter in respect thereof. The Bank shall not be liable for, or bound by, any representations or warranties, whatsoever made by seller / developer / builder / promoter in respect of the Property(ies) or any agent of such seller / developer / builder / promoter.



Where the Facility has been availed of for repayment of an existing loan/facility against any Property(ies), then the Borrower/s shall within 10 days from disbursement of the Facility get the previous security interest removed from the records of the appropriate registering authority and have the security, if any, in favour of the Bank registered with such registering authority.

The Borrower/s shall not enter into any agreement/ arrangement whatsoever with any person, body or authority for the use, transfer or disposal of the Property(ies) in any manner whatsoever without the consent of the Bank. The Borrower/s will not part with the possession, give on hire, lease, leave and license or conduct any arrangement or otherwise deal with the Property(ies) or any part thereof without prior consent of the Bank.

The Borrower/s shall keep the Property(ies) free from any and all liens, charges and encumbrances whatsoever (save and except for the security, if any, created/to be created in favour of the Bank / its trustees or agents if so required by the Bank).

Any such direct or indirect agreement/ arrangement, lien, charge, encumbrance, hire, lease, transfer or parting with possession of the Property(ies) shall be deemed to be an act of criminal breach of trust and cheating by the Borrower/s and the Bank shall be entitled in such circumstances, without any prejudice to the other rights of the Bank under law and/or the Transaction Documents, to initiate appropriate criminal proceedings against the Borrower/s and/or any other relevant Person.

The Borrower/s shall permit the Bank (and any of its representatives), at all times, to inspect, view and examine the state and condition of the Property(ies) and/or the documents relating thereto. The Borrower/s shall also, if required by the Bank, produce the records relating thereto for inspection to the Bank (and/or its representatives) at such place designated by the Bank (and/or its representatives) at the Borrower/s sole cost and expense. Wherever required or necessary in the opinion of the Bank, the Borrower/s shall obtain all required permissions and consents as are required by the Bank (or any of its representatives) for entering into the Property(ies).

The Borrower/s shall comply with all laws, rules and regulations (statutory or otherwise) relating to the Property(ies) and its use and shall obtain, and keep effective at all times, all necessary insurance, licenses, registrations, permissions, approvals and consents in connection with the same.

**9. INSURANCE AND TAXES:** The Bank may at its own discretion and upon Borrower's request, also finance the Borrower for the insurance premium of insurance policy taken by Borrower as per Borrower's own wish from any insurance company of Borrower's choice, which sum(s) shall be added to the principal amount under the Loan and all the terms and conditions shall be additionally applicable thereto. All expenses, charges, fees, taxes etc. as applicable on any such insurance shall be incurred and paid by the Borrower, however in case paid by the Bank on Borrower's behalf, the Borrower shall reimburse the same to the Bank within 24 hours of the Bank's demand. The Borrower shall instruct the insurance company to add the Bank as loss payee in any such insurance policy.

**10. NOTICE:** Any notice, approvals, instructions, demand and other communications given or made by the Bank shall be deemed to be duly given and served if sent by courier, normal post, Registered Post, facsimile, electronic mail, personal delivery, SMS or by pre-paid registered mail addressed to the Borrower's address, phone/ mobile number, fax number or email as provided in the Application (or at the address changed on which Bank's acknowledgement is duly obtained as hereinafter mentioned) and such notice and service shall be deemed to take effect on the third working day following the date of the posting thereof in case of courier, normal post, registered post, at the time of delivery if given by personal delivery, upon receipt of a transmission report if given by facsimile, upon sending the

electronic mail or SMS given by electronic mail or SMS. The Borrower undertakes to keep the Bank informed at all times in writing of any change in the mailing address, email id, phone and mobile number(s) as provided in the Application and to obtain Bank's written acknowledgement on the intimation given to Bank for any such change.

**11. EVENT OF DEFAULT AND REMEDIES:** The Borrower(s) hereby agrees that notwithstanding anything contained herein or in any other documents, the entire balances then due under the said facilities shall, if so decided by the Bank, become forthwith due and payable upon the happening of any of the following events:

- a. Any instalment of the principal or interest remaining unpaid and in arrears for a period of one month after the due date whether demanded or not;
- b. The borrower committing any breach or default in the performance or observance of any of the terms contained herein or in the Borrower(s)'s proposal/ Application Form or any other documents;
- c. If any of the representations or the documents furnished by the Borrower(s) in its application are found to be untrue or false or incorrect;
- d. Upon entering into any arrangement or composition with its creditors or committing any act of insolvency;
- e. Any execution or other similar process being levied or enforced against the borrower;
- f. If the borrower ceases to carry on business or threatens not to carry on business;
- g. If any circumstances shall occur which in the opinion of the Bank is prejudicial to or imperils or is likely to prejudice or imperil the security or which affects adversely the Borrower(s)'s capacity to repay any amounts under the said facilities;
- h. If the Borrower(s) does not submit the required statements or misutilises/diverts the monies or the provided security without the Bank's prior permission / knowledge; If the i. Property for which loan is availed and/or the Security or any part thereof is let out, given on leave and license, disposed of, leased, charged, encumbered, used for commercial purpose or otherwise alienated in any manner whatsoever without the prior written permission of the Bank.
- j. Borrower(s) becoming subject to insolvency, bankruptcy, reorganisation, liquidation proceedings.
- k. In case the Borrower fails to provide additional security to maintain the Security cover as prescribed by the Bank

Whether any of the above events has happened or not, the decision of the Bank shall be conclusive, final and binding on the Borrower(s).

PROVIDED ALWAYS THAT, the Bank may in its discretion refrain from forthwith enforcing its rights hereunder in spite of the happening of any of the above events and provided further that any failure or delay in exercising any right, power or privilege hereunder or under other security documents or any single or partial exercise of such right, power, or privilege shall not impair / extinguish or preclude the Bank any further exercise of the same or operate as a waiver or exercise of any other power or right or privilege. The rights and remedies of the Bank are only cumulative and not exclusive.

Notwithstanding anything stated elsewhere in this agreement, the continuation of the loan shall be at the sole and absolute discretion of the bank and the borrower's outstanding shall be payable by the borrower to the bank on demand. The bank may at any time in its sole discretion and without assigning any reason call upon the borrower to pay the borrower's outstanding and thereupon the borrower shall pay the whole of the borrower's outstanding to the bank without any delay or demur.

**12. DISCLOSURE:** The Bank shall have the right to not return the Application, the photographs, information and documents submitted by the Borrower. The Bank shall, without notice to or without any consent of the Borrower, be absolutely entitled and have full right, power and authority to make disclosure of any information

relating to Borrower including personal information, details in relation to documents, Loan, defaults, security, obligations of Borrower, to the Credit Information Bureau of India (CIBIL) and/or any other governmental/regulatory/statutory or private agency/entity, credit bureau, RBI, the Bank's other branches/ subsidiaries / affiliates / rating agencies, service providers, other banks / financial institutions, any third parties, any assignees/potential assignees or transferees, who may need the information and may process the information, publish in such manner and through such medium as may be deemed necessary by the publisher/ Bank/ RBI, including publishing the name as part of wilful defaulter's list from time to time, as also use for KYC information verification, credit risk analysis, or for other related purposes. The Borrower waives the privilege of privacy and privacy of contract. The Bank shall have the right, without notice to or without any consent of the Borrower, to approach, make enquiries, obtain information, from any person including other banks/finance entities/credit bureaus, Borrower's employer/family members, any other person related to the Borrower, to obtain any information for assessing track record, credit risk, or for establishing contact with the Borrower or for the purpose of recovery of dues from the Borrower.

The Borrower agrees that if the Borrower/s commit/s any breach of any provision of this Agreement or any default or delay in the repayment of the Loan or any amount payable under this Agreement whatsoever which the Borrower/s is/are liable to pay, the Bank shall have the unqualified right to disclose or publish the Borrower's/s' name/s and particulars (including photographs and particulars of their accounts and default), as a defaulter in such manner as the Bank may deem fit. The bank and/ or the Reserve Bank of India will have an unqualified right to disclose or publish his/her name(s) as defaulter in such manner and through such medium as the bank or Reserve Bank of India their absolute discretion may think fit and the borrower will not claim any right of secrecy to his/her account.

**13. INDEMNITY:** Borrower shall make good to, and save, defend and hold harmless Bank, its directors, employees, shareholders, agents, consultants, representatives from or against all, direct or indirect, claims, damages, losses, costs and expenses, including attorneys' fees arising out of/ in relation to any act, omission, breach, misrepresentation, fraud, misstatement or default by the Borrower and/or otherwise incurred by Bank as a result of any suit, investigation, etc, any other matter for any reason.

**14. SET-OFF AND LIEN:** The borrower hereby confirms, declares and agrees that for the liability of the borrowers , the bank shall have a paramount right of set off and in exercise of the bank's general lien under law, the bank shall also have a paramount right of lien on all monies, accounts, securities, deposits, goods and other assets and properties belonging to the borrower or standing to the borrower's credit (whether singly or jointly with any other person/s) which are or may at any time be with or in possession or control of any branch of the bank for any reason or purpose whatsoever and bank is specifically authorized to exercise right of lien on the securities including title deeds of the property and effect set of against all moneys.

**15. CROSS DEFAULT:** The Bank, at its absolute discretion, appropriate any payments made by the Borrower/s in accordance with the Standard Terms and/or the Financial Documents or otherwise and any amounts realised by the Bank by enforcement of security or otherwise, towards the dues payable by the Borrower/s to the Bank under the Application Form(s) and/or any of the Financial Documents whatsoever between the Borrower/s and the Bank and in any manner whatsoever. Notwithstanding any such appropriation by the Bank towards settlement of any dues payable by the Borrower/s to the Bank under any other agreements between the Borrower/s and the Bank, the Borrower/s shall continue to remain liable to the Bank for all outstanding/remaining amounts comprising the Borrower/s' Dues.

If the Borrower/s default/s in making payment of any Instalment/s or any other amounts comprising the Borrower/s' Dues to the Bank on the respective Due Date(s), the Borrower/s shall be liable to pay default at the rate specified in the Application Form(s) (plus applicable interest tax or other statutory levy) on all such outstanding/unpaid amounts from the relevant Due Date till the date of payment of such entire amount. Such default shall be in addition to any other charges which the Borrower/s is liable to pay to the Bank in terms of the Transaction Documents. Such default shall be computed from respective Due Dates for repayment / payment and become payable upon the footing of compound interest at rates mentioned in the Application Form(s) with monthly rests or such other rests as may be prescribed by the Bank from time to time. The rate of interest as specified above is reasonable and 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/s.

Any delay in exercising or omission to exercise any right, power, or remedy accruing to the Bank under this agreement or any other agreement or document shall not impair any such right, power, or remedy and shall not be construed to be waiver thereof or any acquiescence in any default, nor shall the action or inaction of the bank in respect of any default or any acquiescence by it in any default affect or impair any right, power, or remedy of the bank in respect of any other default.

**16. COLLECTIONS:** The Borrower expressly recognises and accepts that the Bank shall without prejudice to its right to perform such activities itself or through its officers or employees, or other authorised agents, be entitled, and has full power and authority, to appoint one or more third parties and to delegate to such third party all or any of its functions, rights and powers under this Agreement relating to the administration of the Loan/credit facility including the right and authority to collect and receive on behalf of the Bank from the Borrower (including the authorised signatory(ies)/representative(s), Guarantor(s) of the Borrower) all due and unpaid amounts due by the Borrower under this Agreement and to perform and execute all lawful acts, deeds, matters and things

connected therewith and incidental thereto including sending notices, contacting the Borrower (including the authorised signatory(ies)/representative(s), Guarantor(s) of the Borrower), receiving cash/ cheques / drafts/ Mandates from the Borrower (including the authorised signatory(ies)/representative(s), Guarantor(s) of the Borrower) and giving valid and effectual receipts and discharge to the Borrower.

**17. ASSIGNMENT:** The Borrower expressly recognizes and accepts that the Bank shall, without reference to or intimation to the Borrower, be absolutely entitled and have full power and authority, to sell and / or assign /securitise to any third-party as the Bank may decide, the loan and all outstanding due to the Bank under this loan in any manner, either in whole or in part and on such terms as the Bank may decide including assigning or reserving to the Bank the power to proceed against the Borrowers, on behalf of the assignee, in the Events of Default for any amounts due by the Borrower under this loan. The Bank may, if it so desires, also assign to such assignee, the right to proceed against the Borrower. Any such sale or assignment shall bind the Borrower and the Borrower shall accept the third-party as its sole creditor jointly with the Bank and in such event the Borrower shall pay to the Bank or such creditor or as the Bank may direct the outstanding amounts due by the Borrower under this loan.

The Borrower also expressly recognizes and accepts that in the event the Bank sells / assigns to any third party the Loan and all amounts which is outstanding and due to the Bank, such assignment may cover transfer and assignment of any or all rights and obligations of the Bank under this loan, which may inter alia include, but not limited to the right to determine the rate of interest, determine Prime Lending Rate applicable to the Loan, re-pricing and Pre-payment charges, collection procedure and all other relevant and incidental matters to the Loan Account. Any such sale,

assignment, transfer of the Loan, outstanding due and rights / obligation of the Bank shall conclusively bind the Borrower.

The Borrower expressly recognizes and accepts that the Bank shall, without prejudice to its right to perform such activities either by itself or through its officers or employees, be entitled and have full power and authority to appoint one or more third parties as the Bank may select and to delegate to such third-party all or any of its functions, rights and powers under this loan relating to administration of the Loan including the rights and authority to collect and receive on behalf of the Bank from the Borrower the pre-monthly repayment instalments, monthly instalments and other amounts due by the Borrower under this loan and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto including sending notices, contacting the Borrowers, receiving cash / cheques / drafts / mandates from the Borrower and giving valid and effectual receipts and discharge to the Borrower.

**18. GRIEVANCE REDRESSAL:** Whereas the Bank has displayed in notice board of Branches of the Bank a copy of Grievance Redressal System (GRS) to redress any grievance before the appropriate authority of the Bank and borrower has duly acknowledged the notice of the same.

**19. FORCE MAJEURE:** The Bank shall not be liable for any failure or delay in performing any obligation to the borrower under this Agreement or related documents or in connection with the Loan where such failure or delay is due to any event beyond the reasonable control of the Bank, including (but not limited to) without prejudice to the generality of the foregoing, acts of God, civil disturbances, terrorist activity, wars, strikes, epidemic or widespread quarantine. The Bank would resume performance as soon as reasonably practicable after the reason or event preventing or delaying performance ceases or abates.

**20. GOVERNING LAW:** The Parties agree that this Agreement shall be governed by the laws of India.

**21. ARBITRATION:** Unless the same falls within the jurisdiction of the Debts Recovery Tribunal established under the Recovery of Debts Due To Banks and Financial Institutions Act, 1993, or any other competent authority for Debt related disputes constituted in any other law in future or which are in force, any and all claims and disputes arising out of or in connection with this Agreement or its performance shall be settled by arbitration by a Sole Arbitrator to be appointed by the Bank. The venue of arbitration shall be, in Bangalore. The arbitration shall be conducted under the provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force and the award of such Arbitrator shall be final and binding upon the Parties hereto.

The Borrower hereby state that she/he has understood all the terms and conditions of the credit facilities extended by the Bank to her/him as detailed in this Agreement and hereby undertakes and states that she/he shall be bound by all such terms and meet all her/his obligations arising out of this Agreement.

The Borrower(s) have affixed their signatures after verifying and understanding the contents of this document, at the end of the Schedule

## **SCHEDULE- I**

<b>Date of execution of loan agreement</b>	This Loan Agreement is entered into on this _____ day of Date: _____ at Place: _____
<b>Place of execution of loan agreement</b>	
<b>BANK'S BRANCH / OFFICE ADDRESS</b>	Jana Small Finance Bank Ltd. Branch Name: _____
<b><u>DETAILS OF THE BORROWER AND ADDRESS</u></b>	
<b>Constitution :</b>	
Borrower Name _____, aged _____, Son / wife / daughter of _____, residing/place of business at _____	
<b>Constitution :</b>	
Co-Borrower Name: _____, aged _____ Son / wife / daughter of _____, residing/place of business at _____	
<b>Constitution :</b>	
Co-Borrower Name _____, aged _____ Son / wife / daughter of _____, residing/place of business at _____	

## SCHEDULE-II

### Loan/Facility Details

1) Loan Facility (Product)	
2) Loan Amount	INR _____ (INR _____ in words only)

3) Rate of interest	Your rate is ____ % p.a. fixed rate of interest for a period of 39 months. Total Tenure is ____ (fixed tenor) from the date of 1st disbursement. Post completion of the fixed tenor, the applicable rate will be TBLR (6 months T-Bill rate Current month: _____ is _____ % + Margin Spread _____ % p.a.) [Hybrid interest rate]
4) Tenor of Loan	
5)Sanction letter date	
6) Penal interest and other charges	24 % p.a. Penal interest on the overdue amount
7) Purpose of Loan/Facility	
8) Property address (Security)	
9) Guarantor details	<b>Constitution :</b> Name: _____, aged _____ Son / wife / daughter of _____, Residing / place of business at _____ PAN/CIN No. _____
10) Details of any other security offered	

**Description of charges:**

Login Fee & processing fee	
Penal interest	24% p.a. Penal interest on the overdue amount

Switching fee( Fixed to floating rate)	INR 200/-
Mandate SWAP charges	2% on outstanding principal
Switching fee( Floating to fixed rate)	INR 200/-
Instruction/instrument return charges	INR 300/- per instance
Part payment charges	<p>i) Part payment of up to 25% of the outstanding principal amount will be allowed in each block of 1 year consisting of period between EMI 1-12, EMI 13-24, EMI 25-36 and so on without any charges.</p> <p>ii) Anything in excess of 25% will attract a pre-payment penalty of 2% calculated on the excess amount for HL cases and 4% calculated on the excess amount for non-HL cases, plus taxes as applicable.</p> <p>iii) Part payment charges are only applicable for fixed rate of interest. In case, of a non-individual being borrower/co-borrower, part-payment charges will be applicable for both HL &amp; non-HL under both floating and fixed rate.</p>
Duplicate statement issuance charges	INR 100 per instance
Duplicate Amortization schedule issuance charges	INR 100 per instance
Duplicate Interest certificate(Provisional/Actual) issuance charges	INR 100 per instance
Issuance charges of Photocopy of title documents	INR 250 per document set
Equitable mortgage creation charges	As applicable in state

Signature of Borrower/s \_\_\_\_\_



Date:	For Jana Small Finance Bank Limited
Place:	Authorised signatory