SMFG India Credit Company Limited Rural Unsecured Loans Terms (Solidarity Group Loan)

Effective Date: [July'26]

These Rural Unsecured (Solidarity Group Loan) Loans Terms ("**T&Cs**") shall govern the unsecured loan granted by/availed from SMFG India Credit Company Limited ("**SMFG India Credit**") by the Borrower(s) for all the channels/mediums of application of loan, including but not limited to physical loan application submitted at SMFG India Credit branch, and/or, digital application of loan directly with SMFG India Credit (website/mobile application/other digital platform) or through any a Lending Service Provider (LSP)/ Digital Lending Application (DLA) engaged by SMFG India Credit.

By applying for Loan through aforesaid channels/mediums, the Borrower (including all co-borrowers, if any) shall deemed to have read, understood and accepted these T&Cs, Application Form, Sanction Letter and terms therein, Key Facts Statement ("**KFS**"),Most Important Document ("**MID**") and SMFG India Credit Company Limited (All-India) General Terms and Conditions for availing Unsecured Loans ("**GTC**").

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1. DEFINITIONS AND INTERPRETATION:

1.1 The following words and expressions shall have the meaning ascribed to them throughout these terms and conditions, unless there is anything repugnant to the subject or context thereof:

i. "**Annual Percentage Rate"** / "**APR**" is the annual cost of credit to the Borrower(s) which includes Rate of Interest and all other charges associated with the Loan.

ii. "**Application Form**" means, as the context may permit or require, the Loan application form submitted by the Borrower(s) and the Co-Borrower(s), as the context may permit or require, to SMFG India Credit for applying for and availing of the Loan, together with annexures and addenda and all other information, particulars, clarifications, letters and undertakings and declarations, if any, furnished by the Borrower(s) or any other persons from time to time in connection with the Loan.

iii. "**Borrower(s)**" means and refers to jointly and severally to the applicants/Co-Borrowers (more particularly described in the Application Form and MID/KFS and include co-applicants, wherever applicable) who has/have been sanctioned/granted/disbursed the Loan by SMFG India Credit pursuant to the relevant Application Form submitted by such applicants and co-applicants to SMFG India Credit for availing of the Loan and depending upon the nature of the Borrower(s), shall, unless repugnant to the context or meaning thereof, be deemed to include, (a) where the Borrower is an individual or a proprietorship, his/her heirs, executors and administrators; (b) where the Borrower is a partnership firm within the meaning of the Indian Partnership Act, 1932, the partners or the partners for the time being of the said partnership firm, the survivor of them and the heirs, executors and administrators of the last surviving partner; (c) where the Borrower is the Karta of a Hindu Undivided Family and the borrowing is for the purposes of the Hindu Undivided Family, the adult members for the time being of the said Hindu Undivided Family and their respective heirs, executors and administrators and permitted assigns; (d) where the Borrower(s) is a company within the meaning of the Companies Act, 1956 or the Companies Act, 2013 (as the case may be), its successors and permitted assigns; (e) where the Borrower is an unincorporated body, all the members of such body and their respective successors; (f) where the Borrower is a governing body of the Society, respective successors of the members of the governing body and any new members and (g) where the Borrower is a trust, the trustee(s) for the time being thereof and the successors and permitted assigns of the trust/trustees. Wherever the context so requires, the term Borrower shall include Co-Borrower(s).

iv. "**Borrower(s)' Dues**" means and includes the outstanding/overdue principal amount of the Loan, interest on the Loan, all other interest, fees, costs, charges, duties, taxes, expenses, stamp duty and all other sums whatsoever payable by the Borrower(s) and/or the Co-Borrower(s) to SMFG India Credit in accordance with the Loan Terms, as well as all other monies whatsoever stipulated in or payable by the Borrower(s) under the Loan Terms and Loan Documents.

v. **"Broken Period Interest**" **("BPI")** means the Interest amount payable by the Borrower at the Rate of Interest indicated in MID /KFS on the Loan from the Effective Date, up to the date of commencement of first Instalment.

vi. "**Business Day**" means a day on which the relevant/local office of SMFG India Credit, as specified in the Application Form, or such other office as may be notified by SMFG India Credit to the Borrower(s), is open for normal business transactions.

vii. "**Co-Borrower(s)**" means any person named and described as Co-Borrower(s) in the Application Form, Loan Documents, MID, KFS or other documents stipulated by SMFG India Credit from time to time.

viii. "**Due Date**" means the date(s) on which any amounts in respect of the Borrower(s)' Dues including the principal amounts of the Loan, interest and/or any other monies, fall due as specified in the Application Form, Repayment Schedule and/or the Loan Terms and Loan Documents.

ix. "**Effective Date**" means unless specified otherwise, the date of disbursement of the Loan to the Borrower.

x. "**Event of Default**" means and includes the occurrence of any one or more of the events of default as stipulated in GTC.

xi. **"Equated Monthly Instalments" or "EMI**" means the amounts payable every month by the Borrower(s) to SMFG India Credit necessary to amortise the Loan with Interest within such period as may be determined by SMFG India Credit from time to time.

xii. "**Fee**"**/** "**Charges**" means the aggregate amount payable by the Borrower to the SMFG India Credit as per the details provided in the Application Form /MID / KFS towards the loan processing fee, insurance and wellness/preventive health care membership fee, and/or such other fee as mentioned in the MID /KFS or notified by SMFG India Credit to the Borrower from time to time.

"**General Terms and Conditions**" or "**GTC**" means SMFG India Credit Company Limited (All-India) General Terms and Conditions for availing unsecured Loans for the grant of the Loan to the Borrower by SMFG India Credit and as available on SMFG India Credit's website [General Terms and Conditions – Personal/Business/Unsecured Loan | SMFG India Credit].

xiii. "**Governmental Authority**" means the Government of India or any other state of the Union of India or any department thereof, any quasi-governmental or judicial of quasi-judicial person in India or any person (whether autonomous or not) who is charged with the administration of an Indian law.

xiv. **"Indebtedness**" means any indebtedness whatsoever of the Borrower(s) at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, credits, deposits, hire-purchase and leasing).

xv. "**Instalments**" means unless otherwise specified in the Loan Documents, the instalments of the amount consisting of principal and interest spread throughout the tenure of the Loan separated by a period which are due and payable towards Repayment of the Loan, more particularly detailed in the MID /KFS/Repayment Schedule.

xvi. "**Instalment Due Date**" means each of the dates on which each Instalment shall be due and payable by the Borrower to SMFG India Credit. The Instalment Due Dates are more specifically described in the MID /KFS/Repayment Schedule.

xvii. "**Interest**" means and includes interest chargeable by SMFG India Credit from the Borrower on the Loan at the applicable Rate of Interest.

xviii. "**Late Payment Charges**" means the charges payable by the Borrower to SMFG India Credit on account of any delay in payment of any EMI or BPI, or any such payments, more particularly provided in the KFS, if applicable.

xix. "**Law**" shall mean and include all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognized stock exchange of India or overseas, or any determination by or interpretation of any foregoing by any judicial authority, or whether in effect as of the date of signing/submission of the Application Form or thereafter and each as amended from time to time.

xx. "**Loan**" means the loan/credit facility sanctioned by the SMFG India Credit to the Borrower pursuant to receipt of a duly filled in Application Form for the purposes mentioned in the Application Form and/or the MID.

xxi. "**Loan Documents**" mean the Application Form, Sanction Letter, General Terms and Conditions, these T&Cs, Demand Promissory Note, Declaration, MID, KFS and include 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, in relation, or pertaining to the Loan and each such Loan Documents as amended and/or stipulated by SMFG India Credit from time to time.

xxii. "**Loan Terms**" means and refers collectively to all the terms and conditions specified in (a) Application Form, (b) GTC, (c) MID, (d) Repayment Schedule, (e) Loan Documents, (f) these T&Cs, and (g) any other documents stipulated by SMFG India Credit.

xxiii. **"Material Adverse Effect"** shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of sole determination by SMFG India Credit such effect or consequence, or could be concluded to cause a material and adverse effect on: (a) the financial condition, business or operation of the Borrower, (b) the ability of the Borrower to perform its obligations under the Loan Documents; (c) the ability of the Borrower to exercise or enforce any right, benefit, privilege or remedy under any Loan Document or any clearance/ approvals or discharge any of its duties and obligations; or (d) the legality, validity, binding nature or enforceability of any of the Loan Terms.

xxiv. “**Most Important Document** (“**MID**”) or “**Key Facts Statement**” (“**KFS**”) means the document containing the salient terms and conditions, pertaining to the Loan availed, which is accepted/confirmed by the Borrower for consideration and processing of the Loan by SMFG India Credit.

xxv. **“Person(s)”** includes an individual, corporation, partnership, joint venture, association of persons, trust, unincorporated organisation, government (central, state or otherwise), sovereign state, or any agency, department, authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality) and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being.

xxvi. “**Potential Event of Default**” shall mean any event which, in the opinion of SMFG India Credit is reasonably likely to become (with the passage of time, the giving of notice, the making of any determination hereunder or any combination thereof) an Event of Default.

xxvii. **“Prepayment”** means the prepayment of the Loan as per Paragraph 3.3 of these T&Cs.

xxviii. **“Prepayment Charge”** means a charge to be levied by SMFG India Credit in the event of the Prepayment of the Loan by the Borrower as specified in KFS/MID.

xxix. **“Rate of Interest”** means the rate of interest applicable for the Loan as specified in the KFS.

xxx. **“RBI”** means Reserve Bank of India.

xxxi. **“Repayment”** means the repayment of the Loan including the principal amount of the Loan, Interest thereon, and all other charges, fees or other dues payable in terms of the Loan Terms to SMFG India Credit.

xxxii. **“Repayment Schedule”** means the schedule of repayment of the principal amount of Loan and Interest thereon in the amounts and the dates, specified in the KFS or as may be issued by SMFG India Credit from time to time.

xxxiii. **“Sanction Letter”** means any document issued by SMFG India Credit sanctioning the Loan containing the salient terms and conditions, pertaining to the Loan availed and accepted/confirmed by the Borrower. Where applicable, the MID /KFS shall also be treated as a sanction letter.

xxxiv. “**SMFG India Credit**” means SMFG India Credit Company Limited, a company registered under the Companies Act 1956 having its registered office at Commerzone IT park, Tower B, 1st Floor, No:111, Mount Poonamallee Road, Porur, Chennai, Tamil Nadu, India, Pin – 600 116 and shall include its successors and assigns.

xxxv. “**T&Cs**” means these SMFG India Credit Company Limited Rural Unsecured Loans (Solidarity Group Loan) Terms for availing unsecured Loans from SMFG India Credit, published on SMFG India Credit’s website, as updated from time to time.

1.2 In these T&Cs, unless the contrary intention appears:

(a) a reference to:

an "**amendment**" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to be construed accordingly;

"**assets**" include all properties whatsoever both present and future, (whether tangible, intangible or otherwise) (including intellectual property and intellectual property rights), investments, cash-flows, revenues, rights, benefits, interests and title of every description;

an "**authorisation**" includes an authorisation, consent, clearance, approval, permission, resolution, licence, exemption, filing and registration;

“**encumbrance**” includes a mortgage, charge, lien, pledge, hypothecation, security interest or any lien of any description whatsoever.

(b) the singular includes the plural (and vice versa);

(c) the headings in these T&Cs are inserted for convenience of reference only and are to be ignored in construing and interpreting the Loan Terms;

(d) reference to the words “include” or “including” shall be construed without limitation;

(e) reference to a gender shall include references to the female, male and neuter genders;

(f) all approvals, permissions, consents or acceptance required from SMFG India Credit for any matter shall require the “prior”, “written” approval, permission, consent or acceptance of SMFG India Credit;

(g) in the event of any disagreement or dispute between SMFG India Credit and the Borrower(s) regarding the materiality 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 SMFG India Credit as to the materiality of any of the foregoing shall be final and binding on the Borrower(s).

(h) all capitalised terms used but not specifically defined herein shall have the respective meanings ascribed to them under the Application Form and/or MID /KFS.

(i) in case of any inconsistency between the terms stated herein and the terms mentioned in the MID /KFS, the terms stated in the MID /KFS shall prevail in the normal course.

2. INTEREST AND CHARGES

2.1 The Interest on the Loan shall be calculated on a daily basis with monthly rests on the outstanding principal balance. The Interest on the Loan shall begin to accrue from the date of disbursement / date of online transfer (e.g. NEFT, RTGS, etc.) / date of handover of the Loan cheque to the Borrower or its agent, irrespective of the time taken for realization of the cheque by the Borrower(s) or its bank.

2.2 BPI, will be computed from date of disbursement to the Due Date of the next month/first EMI Due Date as mentioned in the MID /KFS/ Repayment Schedule. It will fall due on the due date falling on the next month, however, will be charged separately on the due date of the subsequent month following the next month along-with First EMI (For the purpose of illustration –the loan is disbursed on 15th of October, and the due date is 4th of every month and the first instalment date is 4th December. BPI in this case would be computed from 15th October till 3rd of November and will fall due on 4th November. However, the BPI will be collected on 4th of December, along with the first EMI).

2.3 The Borrower agrees to bear and pay to SMFG India Credit principal amount, Interest, fees, Late Payment Charges and other charges with taxes as applicable as specified in the KFS, MID, Sanction Letter and the website of SMFG India Credit (http://www.smfgindiacredit.com/about-us/loan-charges.aspx) (it being understood that the charges/fees/taxes as updated in any of the aforesaid document with due intimation to Borrower shall apply), and which would include but not limited to processing charges (non-refundable), BPI (if applicable), and other charges such as cheque bounce charges / repayment instrument dishonour charges, cheque/ECS/NACH/UPI/repayment instrument swap charges, Prepayment/foreclosure charges and any fee or other charges with taxes as applicable as per the internal policies of SMFG India Credit from time to time, statutory charges or otherwise, payable in respect of the Loan. SMFG India Credit shall be entitled to revise the above fee/charges or terms of the Loan by giving a prior notice to the Borrower(s), by such ways as SMFG India Credit may consider appropriate including but not limited to SMS, email or letter on Borrower's mobile no., email id or address, respectively, as per SMFG India Credit's records and all such changes/variations shall come into effect on a prospective basis and the Borrower(s) shall keep itself informed of the same. In addition to the above charges the Borrower(s) shall also bear, pay and reimburse to SMFG India Credit, all charges relating to goods and services tax (GST), duties (including stamp duty), and taxes (of any description as may be levied from time to time by the government or other authority) and all other cost and expenses whatsoever in connection with (a) application for and the grant and repayment of Loan;(b) recovery and realization of the Loan together with interest;(c) enforcement proceedings, if any. The payment of Late Payment Charges shall not absolve the Borrower(s) of the obligations under the Loan Terms. Notwithstanding anything contained herein above, SMFG India Credit expressly reserves all the other rights that may accrue to it on any default by the Borrower(s). The Late Payment Charges shall be in addition to any other charges, which Borrower(s) is/ are liable to pay to SMFG India Credit in terms of the Loan.

2.4 The interest rate communicated above is the Rate of Interest basis reducing balance. The internal rate of return / APR taking into account the subvention paid by the merchant and/or the advance EMI's paid by the Borrower would be higher without any change in the instalment amount specified in KFS.

2.5 BPI, if unpaid, will be capitalized to the principal outstanding amount under the Loan and such BPI shall become part of the amounts outstanding under first and /or succeeding Instalment of the Loan as specified in the Repayment Schedule/Loan account statement. In certain cases where the Loan has been disbursed after a cut-off date as per SMFG India Credit's internal policy, e.g. 21^{st} day of the month and where the first Instalment falls due in the month subsequent to succeeding month, the BPI, will be capitalized to and shall become part of the principal Loan amount then outstanding under the Instalment of succeeding month.

2.6 Upon sanction of the Loan by SMFG India Credit, the Borrower(s) shall not be entitled to cancel the Loan or refuse to accept disbursement of the Loan, except with approval of SMFG India Credit and payment to SMFG India Credit of such cancellation or foreclosure charges as may be stipulated by SMFG India Credit.

Subject to requirements under Applicable Law, where any cooling off period is prescribed under KFS, the Borrower shall be allowed to request cancellation of the loan within such cooling off period by repaying the principal loan amount and proportionate interest without any prepayment/foreclosure charges. However, the processing fees in such cases shall not be refunded.

2.7 **Disbursement**: Insurance premium, documentation charges, transaction/ processing charges and/or any other cost, charges, duties, expenses and charges, under or in connection with the Loan will be deducted from the Loan and only the net amount of Loan after deduction of such fees/ charges shall be disbursed to the Borrower(s).

2.8 In case the Borrower does not encash the disbursement cheque issued by SMFG India Credit within 45 days from the days of issuance, SMFG India Credit shall have unconditional right to cancel its disbursement commitments of SMFG India Credit hereunder.

3. PAYMENT, PREPAYMENT AND OTHER CHARGES

3.1 The Borrower(s) obligation to repay the Loan on the expiry of the term is absolute. The Borrower(s) shall repay the Loan amount along with the Interest in such manner as per the Repayment Schedule. The BPI shall be charged by adding BPI amount to the first EMI or subsequent EMIs, as more specifically provided in the Repayment Schedule. The number of advance Instalments, as mentioned in the MID/KFS, paid by the Borrower(s) to SMFG India Credit (or its nominees) prior to disbursement of the Loan (or at any other time, as may be specified by SMFG India Credit) shall be adjusted against the payment of the last Instalments (of an equal number) or in any other manner as decided by SMFG India Credit. SMFG India Credit shall not be liable to pay any interest on the advance Instalments nor shall such advance payment reduce the interest chargeable to the Loan account of the Borrower(s).

3.2 The Borrower(s) hereby explicitly agrees that all payments due to SMFG India Credit of Rs. 2.0 lakhs and above shall be made in mode other than cash in pursuance to restriction on receipt under Income tax Act, 1961. Where such cash is directly deposited into SMFG India Credit bank account(s) then SMFG India Credit is authorised to pay such amount to Government as set in Income tax Act, 1961 without appropriation towards payment due.

3.3 The Borrower(s) may prepay the entire Loan together with Interest and applicable charges any time by giving prior notice in writing to SMFG India Credit expressing its intention to prepay the Loan, and provided that any such Prepayment shall be made subject to payment of such Prepayment/foreclosure charges specified in KFS/MID and the terms and conditions agreed between the Borrower(s) and the SMFG India Credit in this behalf. The Borrower(s) understand that part-Prepayment of the Loan is not allowed. SMFG India Credit shall be entitled to charge a Prepayment fee/charge from the Borrower for the Prepayment of the Loan. Any such Prepayment/foreclosure of the Loan shall take effect only after cash has been received or cheques issued by the Borrower(s) for such Prepayment have been cleared in favour of SMFG India Credit or where prepayment amount is transferred by online transfer (NEFT/RTGS/UPI, etc.) upon receipt of funds in designated SMFG India Credit bank account. The Loan shall stand discharged and fully repaid only on the receipt of the Borrower(s)' Dues and the Prepayment Charges by SMFG India Credit from the Borrower, to SMFG India Credit's satisfaction.

3.4 If the Borrower(s) defaults in making payment of any Instalment(s) or any other amounts comprising the Borrower(s)' Dues to the SMFG India Credit on the respective Due Date(s), the Borrower(s) shall be liable to pay Late Payment Charges, without prejudice to any other rights of SMFG India Credit, at the rate specified in the KFS/ MID (plus applicable tax or other statutory levy, if any) on all such outstanding/unpaid amounts from the relevant Due Date till the date of payment of such entire amount. The Late Payment Charges shall be in addition to any other charges which the Borrower(s) is liable to pay to SMFG India Credit in terms of the KFS/MID. Such Late Payment Charges shall be computed from respective Due Date till the date of payment of total overdue amount. The Late Payment Charges as specified above is reasonable and represents genuine pre-estimate of the loss expected to be incurred by SMFG India Credit in the event of non-payment of any monies by the Borrower(s). The Late Payment Charges may be varied at the sole and absolute discretion of SMFG India Credit, from time to time with due intimation to the Borrower.

3.5 Interest, Late Payment Charges and other charges shall accrue on a day-to-day basis and shall be computed on the basis of actual no. of days a year and the actual number of days elapsed, or as may be decided by SMFG India Credit at its sole discretion and intimated to the Borrower.

3.6 Monthly Instalment amount is rounded off to the next higher Rupee.

3.7 If the Due Date in respect of any amounts payable in respect of the Loan under the Loan Terms falls on a day which is not a Business Day at the place where the payment is to be made, the immediately preceding Business Day shall be the Due Date for such payment.

3.8 Notwithstanding anything contained in the Loan Terms or the Loan Documents, and irrespective of the mode of payment selected by the Borrower(s), upon any default by the Borrower(s) in payment of one or more Instalments/amount due and payable on the Due Date pertaining to the Loan or any non-realization of the Instalments on the Due Date by SMFG India Credit, SMFG India Credit shall be entitled, without prejudice to its other rights under the Loan Terms, to present and/or re-present the cheques/NACH mandate/repayment instrument, if any, issued by the Borrower(s) in favour of SMFG India Credit in connection with the Loan.

3.9 Notwithstanding any of the provisions of the Indian Contract Act, 1872 or any other applicable Law, or any terms and conditions to the contrary contained in the Loan Terms and/or the other Loan Documents, SMFG India Credit may, at its absolute discretion, appropriate any payments made by the Borrower(s) in accordance with the Loan Terms and/or the Loan Documents and any amounts realized by SMFG India Credit by enforcement of security or otherwise, towards the dues payable by the Borrower(s) to SMFG India Credit under the Loan Terms and/or any other documents whatsoever between the Borrower(s) and SMFG India Credit and in any manner whatsoever in accordance with the terms mentioned in clause 3.12. Notwithstanding any such appropriation by SMFG India Credit towards settlement of any dues payable by the Borrower(s) to SMFG India Credit under any other documents between the Borrower(s) and SMFG India Credit, the Borrower(s) shall continue to remain liable to SMFG India Credit for all outstanding/remaining amounts comprising the Borrower(s)' Dues.

3.10 The Borrower acknowledges and confirms that he/she/it is aware and accepts that all fees, charges with taxes as applicable etc. paid by the Borrower to SMFG India Credit at the time of application and/or documentation pertaining to the Loan are towards the one-time costs and/or expenses incurred or to be incurred by SMFG India Credit including but not limited to sourcing, verification and legal expenses in connection with the Loan. Any charges payable or any terms of the Loan may be waived by SMFG India Credit at its sole discretion and the decision of SMFG India Credit will be final and without any recourse by the Borrower. The Borrower further understands, declares and confirms SMFG India Credit shall rely on such the documents, information and details (including complete name and address for location of the Borrower, details of registration of Borrower, claim for exemption from or lower taxes etc.) provided by the Borrower in relation to provision of services or raising invoices. If, however, claims for taxes are subsequently made on SMFG India Credit, arising due to SMFG India Credit relying on such information provided by the Borrower, SMFG India Credit shall have the right to recover all such taxes from the Borrower.

3.11 Notwithstanding the terms mentioned above in the Loan Terms, SMFG India Credit at its sole discretion may either on its own accord or at the request of the Borrower(s) in writing grant three payment holidays to the Borrowers during the tenure/terms of the Loan pursuant to which the obligation to pay an instalment on a Due Date as mentioned in the KFS/MID shall be carried forward to the next Due Date ('**Payment Holidays**'). However, interest shall continue to accrue during the period Payment Holiday is granted by SMFG India Credit and same shall be payable by the Borrower basis the modified Repayment Schedule provided by SMFG India Credit. The Borrower(s) agree and understand that any grant of Payment Holidays by SMFG India Credit shall result in change of APR. Once this facility is granted the term/tenure of the Loan will be extended by proportionate number of additional months in accordance with the number of Payment Holidays granted and/or otherwise. Interest and other charges as applicable mentioned in the Loan Terms or communicated by SMFG India Credit will apply for this facility. However, Late Payment Charges shall not apply once this facility is granted by SMFG India Credit at its sole discretion. Further the same will not tantamount to an Event of Default. Taxes on goods and services as applicable will apply. Once a Payment Holiday facility is granted by SMFG India Credit at its sole discretion, the Borrower understands that the term of the loan mentioned in the MID / KFS/ Repayment Schedule shall be automatically extended by proportionate number of additional months in accordance with the number of Payment Holidays granted and/or otherwise. Further, the Borrower also understands that the Due Date of each of the EMI mentioned in the MID /KFS/Repayment Schedule shall be automatically extended by proportionate number of additional months in accordance with the number of Payment Holidays granted and/or otherwise. Accordingly, the Borrower agrees with SMFG India Credit to carry out such amendment in the MID / KFS/ Repayment Schedule and the main terms of the Loan Terms so as to give effect to this facility. Payment Holiday is granted at the sole discretion of SMFG India Credit and Borrower(s) does not have an inherent right to demand this facility as a right. SMFG India Credit reserves the right at any time, without prior notice, to add, modify, change or vary all or any of the terms and conditions pertaining to Payment Holiday facility or to replace wholly or in part, the above offer by another offer, whether similar to the above offer or not, or to withdraw it altogether and such addition / alteration / amendments / modifications or changes shall be binding on the Borrower. All communications in this regard shall be subject to the terms of the notice clause mentioned in the Loan Terms.

3.12 Notwithstanding any of the provisions of the Indian Contract Act, 1872 or any other applicable Law, or any terms and conditions to the contrary contained in the Loan Terms and/or the other Loan Documents, any payment by the Borrower(s) shall, unless otherwise agreed to by SMFG India Credit in writing be appropriated in the following manner:

a. Firstly towards Interest due and payable and/or accruing due and payable to SMFG India Credit;

b. Secondly towards repayment of the principal amount under the Loan due and payable or becoming due and payable to SMFG India Credit; and

c. Lastly towards Late Payment Charges, fees, costs, charges, expenses, and other monies, including applicable taxes, due and payable to SMFG India Credit.

3.13 The Borrower(s) agree that where any funds received by SMFG India Credit is in excess of the amount due to SMFG India Credit i.e. EMI amount plus charges (if any), other than for prepayment/foreclosure of the Loan as communicated by the Borrower(s), then such excess/additional amount shall be refunded to the registered bank account of the Borrower. Borrower agrees and understands that in case of receipt of any excess funds as per this clause 3.13, SMFG India Credit shall not be liable to pay any interest on such excess fund till its refund, as mentioned above.

4. DISCLOSURE AND USE OF INFORMATION

4.1 The Borrower hereby agrees, consents and authorises SMFG India Credit to exchange, share, disclose or part with any or all the information, data and details relating to the Borrower, the Loan, Borrower's other existing loans and/or repayment history, including but not limited to information relating to default, if any, committed by the Borrower, in the discharge of the Borrower's obligations, as SMFG India Credit may deem appropriate and necessary to disclose and furnish, to other SMFG India Credit group companies, business entity with whom SMFG India Credit has or may have business tie-up in future, SMFG India Credit's service providers, banks, financial institutions, credit information companies within the meaning of Credit Information Companies (Regulation) Act, 2005 ('**CICs'**), agencies, information utilities within the meaning of the Insolvency and Bankruptcy Code, 2016 ('**IUs'**), statutory, governmental and regulatory bodies (including RBI), in relation to this Loan Terms and/or the Loan, and/or as required under Law or any applicable regulation, at the order of a court of law, or at the request or order of any Governmental Authority with whom it customarily complies and the Borrower: (a) agrees that that the RBI or CICs or any Governmental Authority so authorized, may use, process, disseminate the said information and data disclosed by SMFG India Credit in such manner as deemed fit by them in any particular circumstances; (b) shall not hold SMFG India Credit (or any of its group companies or its/their agents/ representatives) liable for use/sharing of such information, data and details and (c) consents and authorises SMFG India Credit , in addition to any other right enjoyed by SMFG India Credit, that in the event of the Borrower(s) committing any default under the Loan Terms, SMFG India Credit shall be entitled without intimating to the Borrower to disclose to the RBI or to any other competent authority, or court of law, the name of Borrower and the fact of Borrower having committed the default as aforesaid.

4.2 SMFG India Credit shall, as it may deem appropriate and necessary, be entitled to disclose all or any: (i) information and data relating to the Borrower(s); (ii) information or data relating to the Loan, Loan Terms, Loan Documents; (iii) obligations assumed / to be assumed by the Borrower(s) in relation to the Loan under the Loan Terms, the Loan Documents or any other securities furnished by the Borrower(s) for any other credit Loan granted / to be granted by SMFG India Credit; (iv) default, if any, committed by the Borrower(s) in discharge of the aforesaid obligations, to CICs, IU and any other agency authorised in this behalf by the RBI/ Governmental Authority or to SMFG India Credit's advisors, consultants, affiliates, service providers or third parties to whom such disclosure is required, whether under law, contract or otherwise. CICs, IUs and / or any other Governmental Authority so authorised may use and/or process the aforesaid information and data disclosed by SMFG India Credit in for such lawful purposes as may be allowed under applicable Laws including but not limited to furnishing of such data or information or providing of further processed data or information to SMFG India Credit or other financial institutions.

4.3 SMFG India Credit, its officers and agents, shall, as it may deem appropriate and necessary, be entitled to disclose information relating to the Borrower(s) and Borrower(s)' Loan account and or dealing relationship(s) with SMFG India Credit including but not limited to details of any facilities, any security taken, transactions undertaken with SMFG India Credit to:

i. Professional advisors and service providers of SMFG India Credit for the purpose of provision of products or services provided/offered to or be provided by SMFG India Credit or to enforce any of its rights under Loan Terms;

ii. any actual or potential assignee, novatee, transferee, participant or sub-participant in relation to any of SMFG India Credit's right or obligation under any arrangement;

iii. any rating agency, insurer or direct or indirect provider of credit protection or financial support for purposes in connection with services provided to or be provided by SMFG India Credit.

5. CUSTOMER GRIEVANCE REDRESSAL MECHANISM

5.1 Below is SMFG India Credit's customer grievance redressal mechanism, which is also available on SMFG India Credit's website on https://www.smfgindiacredit.com/policies/grievance-redressal-mechanism-vernacular.aspx and on the notice board of SMFG India Credit branches. The grievance redressal process for SMFG India Credit consist of a 4-level grievance redressal mechanism to ensure complaints are treated in an efficient, transparent and fair manner, where the Borrower(s) is not satisfied with the services provided by SMFG India Credit.

Level 1: Borrower(s) can submit their complaint at any of the following customer touch-points: (a) Mobile App - SMFG India Credit m-Connect, available on Android; (b) Customer Portal on www.smfgindiacredit.com; (c) Email at namaste@smfgindia.com; (d) Call SMFG India Credit Customer Toll-free Helpline: 1800 103 6001 (Timings: 9 a.m. to 7 p.m. - Monday to Saturday excluding public holidays & fourth Saturday of the month); (e) Visit SMFG India Credit branch (Branch timings: 9:30 a.m. to 6:30 p.m. on Monday to Saturday, excluding public holidays and first Saturday of the month;); or (f) Write on address: "SMFG India Credit Company Limited, Ground Floor, Embassy 247, Gandhi Nagar, LBS Marg, Vikhroli West, Mumbai-400083".

Level 2: If there is a delay in the resolution of the complaint or Borrower is not satisfied with the resolution provided to it, Borrower may write to Customer Complaint Redressal Cell (CCRC) at Email ID - CCRC@smfgindia.com, or on Address – "Customer Complaint Redressal Cell, SMFG India Credit Company Limited, Ground Floor, Embassy 247, Gandhi Nagar, LBS Marg, Vikhroli West, Mumbai-400083". Borrower(s) will receive an acknowledgment/interim response within 7 business days from the receipt of the complaint.

Level 3: If the Borrower is dissatisfied with the resolution provided by CCRC, Borrower may write to Grievance Redressal Officer (GRO) at Email ID - GRO@smfgindia.com, or on Address – "Grievance Redressal Officer, SMFG India Credit Company Limited, Ground Floor, Embassy 247, Gandhi Nagar, LBS Marg, Vikhroli West, Mumbai-400083" or call on Tel. No. - 022-69581104. Borrower(s) will receive an acknowledgment/interim response within 2 business days from the receipt of the complaint.

Level 4: In case the Borrower(s) is dissatisfied with the resolution provided by GRO, the Borrower(s) may write to Principal Nodal Officer at Email ID - PNO@smfgindia.com, or on Address – "Principal Nodal Officer, SMFG India Credit Company Limited, Ground Floor, Embassy 247, Gandhi Nagar, LBS Marg, Vikhroli West, Mumbai-400083" or call on Tel. No. - 022-69581104. Borrower(s) will receive an acknowledgment/interim response within 2 business days from the receipt of the complaint.

5.2 In case the Borrower(s) is dissatisfied with the response received or where no response is received within 30 days, the Borrower(s) may approach the RBI Ombudsman by lodging its complaints in Online Complaint Management System at https://cms.rbi.org.in OR in write on address "Centralized Receipt & Processing Centre (CRPC), Reserve Bank of India, 4th Floor, Sector 17, Chandigarh - 160017" by post, OR Call CRPC Toll-free Helpline 14448 to know how to file a complaint and to get the status of a filed complaint. Alternately, Borrower may appeal to the Officer-in-charge, Department of Supervision, Reserve Bank of India, Fort Glacis, No.16, Rajaji Salai, Chennai 600001. Tel. : 044-2536 1631.

5.3 The Borrower understands that SMFG India Credit shall be entitled to modify the customer grievance redressal mechanism under sub-clause (i) above, in its sole discretion, by communicating the Borrower through such means as may be determined by SMFG India Credit including but not limited SMS, Email, or publishing on its official website.

6. SERVICE PROVIDERS

It is agreed by the Borrower(s), that without prejudice to any rights of SMFG India Credit, all acts / steps as are necessary for SMFG India Credit to take in order to monitor the Loan and its utilisation and/or the obligations of the Borrower(s) and /or the Borrower(s)' compliance with the terms hereof and / or to recover amounts due to SMFG India Credit or any part or portion thereof, shall and/or may be carried out by and / or through such other person (including a company or body corporate) as may from time to time be appointed by SMFG India Credit in respect thereof and that SMFG India Credit will at all times be entitled to share with any such other person that may thus be appointed by SMFG India Credit, all documents statements of accounts and other information of whatsoever nature pertaining to the Borrower(s) and/or the Loan. Further, the Borrower(s) expressly recognize(s) and accepts that SMFG India Credit shall, without prejudice to its rights to perform such activities either itself or through its officers or servants, be absolutely entitled and have full power and authority to appoint one or more third parties/recovery agent(s) of SMFG India Credit choice and to transfer or delegate to such third parties/recovery agent(s) the right and authority to collect on behalf of SMFG India Credit all unpaid amounts and to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto including attending the office or residence of the Borrower(s), receiving the amounts due, and generally performing all lawful acts as the third party/recovery agent(s) may consider appropriate for such purposes.

7. DISPUTE RESOLUTION

The Loan, Loan Terms and the other Loan Documents shall (unless otherwise specified in the Application Form, KFS, MID, or any such Loan Document) be governed by and construed in accordance with the Laws of India. If any controversy or dispute should arise between the parties in performance, interpretation or application of the Loan Terms and/or the Loan, the same shall be submitted in arbitration of a sole arbitrator to be nominated by SMFG India Credit. The decision of the sole Arbitrator shall be final and binding on the Parties under the provisions of the Arbitration and Conciliation, 1996. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996, rules thereunder and amendments thereto. The arbitration proceedings shall be held only at the place mentioned in MID /KFS. Subject to what is stated hereinabove, it is expressly agreed between the Parties that the Courts at the place mentioned in MID /KFS will have exclusive jurisdiction to try suit/ application in respect of any claims or disputes arising out of or under the terms agreed herein. This shall not however limit the rights of SMFG India Credit to file/take proceedings in any other Court of law or Tribunal of competent jurisdiction.

8. MISCELLANEOUS

8.1 Equated Monthly Instalment (EMI) will be due such date of every month as specified in the KFS. EMI Due Date is solely determined by SMFG India Credit as per its internal policies and the no request for change in EMI Due Date from the Borrower(s) will be considered.

8.2 The Borrower(s) shall promptly, and not later than 7 (seven) days from the occurrence of any of the following events, notify SMFG India Credit in writing with full details of the same: (a) death of any of the Borrower(s) (or any of its partners/trustees/directors); (b) any changes, whatsoever, in the constitution and/or the authorised signatory, of the Borrower(s) (where the Borrower(s) is a partnership/HUF). Further, the Borrower shall notify SMFG India Credit of any change in the location/address of any of the Borrower(s)' office or residence or place of business or change in communication details like mobile number or Email ID within 30 (thirty) days of such change.

8.3 In the event of any conflict, inconsistency or ambiguity between any term or provision set forth in the GTC and these T&Cs, such term or provision of these T&Cs shall control and supersede such conflict, inconsistency or ambiguity.

8.4 In case of any inconsistencies between the English version and the vernacular version of these T&Cs or the Loan Documents, the English version shall prevail.