

GENERAL TERMS AND CONDITIONS GOVERNING TERM LOANS

I. INTRODUCTION

These terms and conditions (“**Terms**”) between you and SKFL (“we”, “us”) forms the basis of your relationship with us and the terms on which you will participate in Facility (*defined below*).

Where we have published/executed a document which is referred to within these Terms (such as a loan agreement), the content of said document shall also form part of these Terms and shall be deemed as being accepted by you. In the event of any inconsistencies or contradictions between these Terms and a document referenced within them, the decisions of SKFL shall be final and binding. Please read these Terms and the loan agreement carefully and ensure that key terms such as interest rate, repayment, security, prepayment etc. are clearly stated before you execute the agreement.

All individual applicants, co-applicants and guarantor(s) [collectively, “the Applicant(s)”, which expression shall, as the subject or context may admit or require, mean any or each of the **Applicant/s and/or Borrower/s and/or Guarantors**], who wish to avail financial assistance (the “**Facility**”) from SK Finance Limited [“**SKFL**”] for the purpose stipulated in the loan application form, sanction letter and/or loan Agreement (“**Purpose**”) are required to fill in complete details as required by SK Finance Limited and shall submit to SKFL for applying for the Facility.

SKFL shall be entitled at its sole and absolute discretion to reject/approve any application submitted by the Applicant(s) (“**Application Form**”) for availing the Facility. In the event of any such rejection, SKFL shall not be liable to inform the Applicant(s), the reason for such rejection. SKFL shall peruse the application form along with the additional documents so submitted by the Applicant(s), and if the same is to the satisfaction of SKFL, SKFL shall provide sanction letter to the Applicant outlining the key terms and conditions with respect to the Facility (“**Sanction Letter**”) and thereafter shall execute a formal loan agreement between SKFL and the Applicant for availing the said Facility (“**Loan Agreement**”). The Application Form, Sanction Letter, the Loan Agreement and such other document executed with respect to the Facility shall collectively be referred to as Transaction Documents.

II. KEY TERMS AND CONDITIONS PERTAINING TO THE FACILITY.

- (a) The Applicant shall enter into a formal agreement pertaining to the Facility wherein the Applicant shall confirm and bind itself with various terms and conditions with respect to the Facility such as, disbursement of facility, interest & amortization, prepayment, fees and operating expenses, taxes, security and insurance, increased cost, cross liability, covenants and representative and warranties of Applicants, event of default, set-off, indemnity, disclosure of information, confidentiality etc.
- (b) The processing fee and such other fees and charges as specified in the Transaction Documents in relation to the Facility are non-refundable in nature. All such charges shall become payable on / before the due date as stipulated in the Sanction Letter and/or Loan Agreement.

- (c) The interest at the rate as prescribed in respective transaction documents executed with the parties to the facility shall be charged on the overdue amount for payment delayed beyond due date of installment.
- (d) The disbursement of the Facility shall be subject to the performance by the Borrower(s) of all the Conditions Precedent as stipulated in the respective facility documents. All payments to be made by SKFL to the Borrower(s) shall be made by NEFT/ RTGS or by cheques/demand drafts or any other mode as agreed at the time of execution of transaction documents. The collection charges, if any, in respect of all such payments shall be solely borne by the Borrower(s). Disbursement shall be deemed to have been made to the Borrower(s) on the date of disbursement by NEFT/ RTGS or date of cheque as the case may be.
- (e) **Return/Destruction of SPDCs/PDCs:** SKFL shall return/destroy immediately old SPDCs/PDCs as received from the Applicant(s) or any parties to the Loan Agreement and which are in the custody of SKFL in the following conditions:
- (i) When the relationship status of the Applicant with the SKFL is closed. (for instance; in case of loan foreclosure, repayment of loan, loan maturity, etc.) or;
 - (ii) When the NACH of the Applicant is activated.
There shall not be any liability on SKFL to return the SPDCs/ PDCs obtained from the customer as a part of the facility obtained by the Customer from SKFL.
- (f) The Applicant shall ensure that all payments made through digital payment platforms shall be made by Applicant from his own account in line with the AML norms as prescribed. In the event the repayment is made by a third party, it shall the sole ownership of the Applicant or parties to the loan agreement to duly inform SKFL and undertakes to complete all documentation formalities as requisitioned by the SKFL.
- (g) **Repayment:** The loan is to be repaid in Installments as agreed to in the transaction documents over the tenure of the loan. The repayment of installment commences from a date specified in the Sanction Letter. Instalment amount would comprise of principal and interest which are payable in Equated Monthly Instalment (EMI) as set out in the Transaction Documents. Accordingly, the Applicant must ensure:
- To keep sufficient funds in the designated account 2-3 days prior to due date of EMI.
 - The Applicant should not (a) issue stop payment instructions for any cheque issued towards EMI payment or close/change the bank account in which the repayment instruments are drawn; (b) cancel or vary any payment arrangement (unless required by SKFL).
- (h) **Security:** The Applicant(s) shall maintain in favor of SKFL, a valid and enforceable first and exclusive security interest on the property and all proceeds receivable by the Borrower(s) at any point of time, or any other right or interest arising from or in connection with the property. All the security documents of the Borrower(s) shall be deposited with SKFL and it shall have paramount rights/lien over such documents.
- (i) In accordance with the applicable law(s) as amended or modified from time to time, where the borrower is a company or LLP, the Borrower shall ensure registration of charges with the ROC within requisite timelines.
- (j) **Disclosure:** (i) SKFL is authorized to disclose from time to time any information relating to the loan to any credit bureau (Existing or Future) approved by Government of India and/or RBI without any notice to the Borrower(s). SKFL is also authorized to make inquiries with any

Credit Bureau and get the applicants Credit Information Report. Terms & Conditions mentioned herein are subject to change without prior notice. The Applicant further acknowledges that SKFL is authorized to share/disclose information (a) relating to the Applicant, including information relating to any default committed by the Applicant in discharge of their obligation or otherwise; (b) to such credit bureaus/ credit reference agencies. Such entities may further make available processed information or data or products thereof to banks/financial institutions and other credit grantors. SKFL also provides information relating to credit history/repayment record of the applicant to a credit information company (specifically authorised by the RBI), in terms of the Credit Information Companies (Regulation) Act, 2005. (ii) The Borrower hereby gives specific consent to SKFL for disclosing/submitting the 'financial information' as defined in Section 3(13) of the Insolvency and Bankruptcy Code, 2016 ('Code') read with the relevant Regulations/ Rules framed under the Code, as amended and in force from time to time and as specified there under from time to time, in respect of the Credit/ Financial facilities availed from SKFL, from time to time, to any 'Information Utility' ('IU') as defined in Section 3(21) of the Code, in accordance with the relevant Regulations framed under the Code, and directions issued by RBI to the NBFCs from time to time and hereby specifically agree to promptly authenticate the 'financial information submitted by SKFL, as and when requested by the concerned 'IU'.

- (k) Any default pursuant to these Terms and/or the terms of the Agreement (whether demand for repayment is actually made or not) then and in such case and at anytime thereafter, the SKFL through its officers, agents or nominees shall have the right (without prejudice to the right under this Agreement) to take any one or more than one of the following actions without the specific intervention of a court or any court order:
- (I) with a notice period of 15 days/without any notice and assigning any reason and attire risk at expense of the Borrower and if necessary as attorney and in the name of the Borrower to take charge and/or possession of, seizure, recover, appoint receiver of and remove the hypothecated asset. SKFL will be within its rights to use Tow-van to carry away the Asset/and or,
 - (II) enter into or upon any place or premise where the hypothecated asset may be kept or stored and inspect, value or insure the same at the costs and expenses of the Borrower, and /or,
 - (III) with prior notice through any specified mode of communication sell by auction or by private contract or tender, dispatch or consign for realization or otherwise dispose of or deal with the hypothecated asset in the manner SKFL may think fit,
 - (IV) proceed to take possession of the collateral security and exercise powers to make auction of the same for realizing due amount of SKFL.
 - (V) Notwithstanding the aforesaid SKFL on occurrence of any one of the following events shall be entitled to repossess the vehicle without providing any notice or intimation to the Borrower:
 - a) In case of any fraudulent activity is done by the Borrower or any other person in relation to the asset and/ or loan under this agreement which in the opinion of SKFL is prejudicial to the interest of SKFL.
 - b) If the asset is sold to the third party.
 - c) If the Borrower has expressed his willingness to surrender the possession of the asset

- voluntarily.
- d) If there is reasonable apprehension to SKFL or its officers/ agents that such notice may defeat the taking of possession of the asset due to any foul play or forcible resistance from the part of the Borrower/ Guarantor.
 - e) If the asset is used in unlawful activities
- (VI) SKFL shall have provided one final chance to the Borrower for repayment of all outstanding amounts before sale/ auction of the hypothecated vehicle except in cases where the sale/ auction of the hypothecated vehicle is pursuant to any proceedings before any judicial, quasi-judicial or governmental authority or arbitrator.
- (VII) SKFL will return the Assets to the Borrower(s) provided all the outstanding amounts and other SKFL dues are cleared in full to the satisfaction of SKFL or as otherwise agreed by both the parties. If satisfied with the genuineness of Borrower's inability to pay the EMI as per the repayment Schedule III which resulted in the repossession of asset, SKFL may at its discretion consider handing over the Assets after receiving the EMI in arrears. However, the same would be subject to SKFL being convinced of the arrangements made by the Borrower(s) to ensure timely repayment of EMI in future.
- (I) **Know Your Customer/Due Diligence Requirements:** In line with the requirements of SKFL policy, the Know Your Customer (KYC) documents along with other documentation need to be submitted at the time of applying for loan or as and when requested by SKFL. The Borrower(s) is fully aware of the KYC requirements applicable on SKFL from RBI and confirms that the information/ clarification/ documents/signage provided by it on its identity, address, authorized signatory, board resolution, PAN and all other material facts are true and correct and the transaction, etc. are bonafide and as per law. The Borrower(s) further confirms that it has disclosed all facts/ information as are required to be disclosed for the adherence and compliance of the provisions related to the KYC Policy. SKFL reserve the right to recall the Facility, enforce the Security and guarantees, if any, and appropriate proceeds thereof towards the outstanding and recover the balance from the Borrower(s), if any or close the account in case the required documents are not provided by the Borrower(s) to SKFL.
- (m) **Governing Law and Jurisdiction:** All documents executed in relation to the Facility shall be governed by and construed in accordance with the laws of India. The Parties hereto expressly agree that all disputes arising out of and/or relating to the Transaction Documents including any collateral document shall be subject to the exclusive jurisdiction of a competent court as mentioned in respective transaction documents.
- (n) **Dispute Resolution:** The parties are aware that under the circumstances of any dispute which may arise between the parties either directly or indirectly, shall be referred to or settled as per the terms and conditions under the Dispute Settlement Mechanism as may be separately agreed and executed between the parties in writing, wherever applicable. In any other circumstance all matters, questions, disputes, default, difference and or claims arising out of and/or concerning and/or in connection and/or in consequence of breaches, termination or invalidity thereof, whether or not obligations of either or both parties be subsisting at the time of such dispute and whether or not the transaction documents have been terminated or purported to be terminated or completed shall be settled by arbitration in accordance with the provision of Arbitration and Conciliation Act 1996 or any statutory

amendment thereof which shall be presided over by an arbitrator. SKFL shall nominate the arbitrator and intimate Borrower(s). If no counter proposal is received from Borrower(s) within 7 (seven) days from the date of intimation, then the arbitrator nominated by SKFL shall be deemed to be accepted by Borrower(s) and becomes final. The language to be used in the arbitral proceedings shall be English and the award of the arbitrator shall be final and binding on parties. The seat of arbitration shall be Jaipur, Rajasthan.

- (o) **Fees, charges, costs and claims:** All costs (including advocates Legal cost), charges, expenses, applicable taxes, valuation charges, CIC charges, CERSAI charges, duties (including stamp duties), registration charges or any other charges in connection with the Transaction Documents, any document executed pursuant hereto and the creation enforcement, realization or attempted realization of any security insuring and taking possession of, maintaining storage and selling of the any asset shall be incurred and paid by the Borrower(s) alone. Borrower(s) shall reimburse the same at the actual to SKFL within 24 hours of SKFL's demand. SKFL shall also be entitled to recover from the Borrower(s) and Guarantor any other charges or costs incurred or claims suffered by SKFL in connection with the Facility, including on account of execution, stamping of the Loan Agreement and any other documentation or security creation pursuant to the Transaction Documents. If at any time hereafter it is found or required that any extra stamp duty is payable on any of the Transaction Documents and/or if it is ascertained that stamp duty at a rate higher than the duty presently paid on said Transaction Documents are payable/required to be paid, then the Borrower(s) shall immediately pay the same with penalty and interest (if any). Upon failure to pay the same, such amount shall form part of the amount due under the Loan Agreement.
- (p) **Conditions Precedent:** SKFL shall make any disbursement under the Facility subject to the fulfilment of the following conditions:
- (i) The Borrower(s) meeting SKFL's requirement of creditworthiness. SKFL shall be entitled to make or cause to be made market inquiries or Credit Bureau checks of such nature as it may deem fit in this regard and, further, it shall be entitled to call for such credentials from the Borrower(s) as may be required.
 - (ii) The Borrower(s) are in compliance of all the terms and conditions under the Transaction Documents, and there exists no default or breach under the Sanction Letter, Loan Agreement or any circumstance which may make it improbable for the Borrower(s) to fulfil his/her/their obligations under the Transaction Documents.
 - (iii) In relation to the Borrower(s), absence of any pending, ongoing or threatened proceedings which, if adversely determined, may have an adverse effect on: (i) the ability of the Borrower(s) to comply with the Facility Documents, or (ii) the interests of SKFL.
 - (iv) Execution, filing, registration and delivery, by the Borrower(s), of all Facility Documents in the form, manner and substance acceptable to SKFL.
 - (v) If required by SKFL or under any law provision of such evidence as may be acceptable to it, the Borrower(s) to satisfy SKFL: (i) about the utilization of the proceeds of the prior disbursements (if any) under the Facility, and (ii) that the disbursement is required for and shall be utilized only for the purpose for which the Facility is sanctioned.
 - (vi) In order to avail the Facility from SKFL, the Applicant assures to the SKFL that the Applicant has complied with all the provisions of the MSME Act applicable on the Applicant and till

date the Applicant has, neither, either directly or indirectly, breached/contravene any provisions under the applicable law, statute or regulation or any judgment or decree to which any of the Applicant and/or business and/or its undertaking is subject.

(vii) The Applicant shall notify the Lender of any change, including and not limited to the following, occurred, between the date of loan application and the date of disbursement of Facility, and even otherwise, within 15 (fifteen) days of such change.

- a. Make any change in the residential and official status of the Applicant or occupation/ business of the Applicant or in the details of the relatives in the Applicant's entity or any adverse circumstances connected with the financial position of the Applicant and/or any adverse change with regard to the security or title thereto (however unimportant the Applicant may consider the same);
- b. Make any change in the constitution, management or existing ownership, shareholding pattern or control or share capital of the Applicant.

For any service related issue, Applicant can get in touch with SKFL as per the details mentioned in the Customer Grievance Redressal mechanism displayed on the website.