

HOUSING LOAN AGREEMENT

This agreement is made between Mr./Mrs./Ms
S/o,W/o,D/o _____ resident of

_____ (hereinafter called the borrower , which expression shall include his/her heirs ,
executors , administrators and assigns) of the one part and
Capital Small Finance Bank Ltd. having its Head Office at MIDAS Corporate Park, 3rd Floor,
37 , G.T. Road, JALANDHAR and one of its branches at
_____ (hereinafter called the Bank which
expression shall include its successors and assigns) of the other part.

The borrower(s) has entered into an agreement with Mr./Mrs./Ms
S/o , W/o , D/o _____ for the purchase of the
house/flat bearing No _____
situated _____ at

OR
The borrower has entered into an agreement with Mr./Mrs./Ms
S/o , W/o , D/o _____ for the purchase of plot bearing No
Measuring _____ situated _____ at
_____ and to further construct a house thereon.

OR
The borrower owns plot measuring _____ situated at
_____ and he has to construct a house thereon.

OR
The borrower has applied to the Bank for repayment of loan availed from
_____ (Bank/Financial Institution/Other Agencies) for
purchase/construction/repair/addition/extension of house/flat at
_____ (place).

The borrower has applied to the Bank for financial assistance for the purchase of ready built
house/ purchase of plot and/or to construct the house thereon and/or to carry out the
additions/ alterations/ repairs and rennovations vide application dated _____
and the Bank has agreed to advance a sum of
` _____ (Rupees _____
_____)to the borrower for the purchase of the house/flat purchase of plot and
construction of house thereon/to carry out repairs, renovations, alterations.

Now this agreement witnessth as follows :

1. The bank shall advance a sum of _____ (Rupees _____) to the borrower to enable him to purchase/construct/repair/renovate/for making additions/alterations in the house/flat as stated above. The Bank reserves the right to disburse the amount directly to the parties as per the details furnished by the borrower. The Bank shall disburse the said amount only after the borrower makes his contribution (margin) of _____ or such other margin as may be prescribed. In case of finance for construction of house the loan shall be disbursed in stages depending upon the progress of construction. The bank shall release the subsequent disbursement only after furnishing a certificate by a qualified architect/Civil engineer or having a satisfactory proof about the stage of construction having been reached. In case of finance for other purposes, the loan shall be disbursed as per the demand raised by the selling agency or as per the need of the borrower.

The borrower further covenants that the work of construction/repair/renovation/additions/alterations of the house/flat shall be completed within.....months from the first disbursement of the loan. The Bank reserves the right to stop further release of funds if the progress of construction is not satisfactory.

In case of purchase of ready built house/flat/plot, the bank reserves the right to make direct payment to the vendor.

2. The Borrower agrees to pay interest at _____ % Product Spread over the prevailing EBR (presently being _____%) of the Bank (hereinafter referred to as the "Reference Rate") + Credit Risk Premium _____%, i.e. @ _____% (the "Applicable Interest Rate" i.e. EBR + Product Spread + Credit Risk Premium) per annum with monthly rests, whether debited or not in the account, plus applicable interest tax, if any, including the manner of computation of the same by the Bank. Further -

i. The EBR/the Spread/periodicity of rests are subject to any change made by the Bank/RBI from time to time and the revised Applicable Interest Rate shall accordingly be charged in the account;

ii. In the event of there not being any Reference Rate and/or Spread, the Borrower agrees to pay the interest at such rate as prescribed by the Bank from time to time; and

iii. The interest shall be calculated on the daily balance basis due to the Bank in the account and shall be charged in the account on the last working day of the month so long as the debt herein is not paid by the Borrower in its entirety and will form part of the principal and carry further interest at the Applicable Rate of Interest.

The Loan along with the Govt. subsidy/margin money, if any, received/held will be disbursed by the bank to the Borrower or his nominee(s)/dealer/supplier/seller named in Schedule hereto, at the expense of the Borrower in installments as given in Schedule

3. The borrower shall repay the loan amount together with interest thereon in installments in the manner set out in Schedule hereto Provided that on occurrence of certain event, which in the opinion of the Bank is sufficient, the Bank in its absolute discretion, may reschedule the repayment under intimation to the Borrower and same will be binding on the Borrower and shall be deemed to have been originally incorporated in this agreement and shall form part of this agreement and the Borrower agrees that any such rescheduling will not in any way, absolve any of the Borrower(s) from liability under the Loan in any manner whatsoever and the nature and the extend of the Borrower(s) liability and of the security offered shall subsist and continue.

4. (i) The Borrower irrevocably authorizes the Bank to recover the amount of EMI and other charges from his SF/CA/OD accounts no. _____ maintained at the Bank's BO: _____ until the Loan is fully repaid and adjusted. The Borrower further undertakes to keep sufficient balance in his said account for recovery of the EMI by the Bank.

(ii) The Borrower hereby deposits post-dated cheques to facilitate the due payment of the EMIs of the Loan.

(iii) The Borrower is willing to make the payment of EMIs of the Loan, through participation in Electronic Clearing Service (ECS) of National Clearing Cell of RBI and authorizes the Bank to raise the debits against the EMIs from his SF/CA/OD account No. _____ maintained at BO: _____ of _____ Bank (Give name and address of the Bank) through ECS for repayment of the Loan and understands that in the event of the Bank not realizing payment from ECS for any reason whatsoever, the Borrower shall pay the EMI to the Bank by cash or cheque along with the interest for the delayed period.

The Borrower has given the necessary mandate/will comply with the procedural requirements for participation in ECS and also bear any service charges/fees as prescribed by Bank/RBI from time to time.

5 (A) The Borrower agrees to pay additional interest @ _____ % p.a. with agreed rests-

a) In case of default in payment of interest or installments on the due date, on the amount in default, from the date of default;

b) In case of default in complying with the terms & conditions of the Loan or of this agreement or the Loan account becomes irregular or for non-compliance of any other Terms of sanction and the Bank's general guidelines, on the amount outstanding from the date the account becomes irregular/from the day of non-compliance of any condition; and

c) In case the Loan is recalled, on the amount outstanding from the date of demand/recall.

(B). Charging of additional interest shall be without prejudice to any other right available to the Bank.

6. The Borrower agrees to pay and bear the -

a. Incidental charges at the rates fixed by the Bank from time to time at its discretion and shall be debited to the account for every half year or part thereof;

b. The borrower agrees to pay the pre payment/pre-closure charges as per bank norms prescribed from time to time.

c. Any other charges leviable from time to time as per the guidelines of the Bank.

7. The borrower understands that the amount of EMI shall be subject to change in accordance with change/revision in applicable interest rate. The borrower shall have one of the following options to exercise for repayment of the Loan -

a) To pay the increased amount of the EMI; or

b) To continue to pay the existing amount of the EMI with the condition that the balance outstanding in the Loan account shall be paid in one go with the last EMI of the originally applicable repayment tenor; or

c) To prolong the repayment period.

7.1 In case no option is exercised by the Borrower on account of change in the applicable interest rate affecting the EMI, the option, as given at (c) above, shall be deemed to have been exercised by the Borrower.

8..The borrower shall reimburse or pay to Bank such amount as may have been paid or payable by the Bank to the central or state government on account of any tax levied on interest on the loan by the central or state government. The reimbursement or payment shall be made by the borrower as and when called upon to do so by the Bank.

The EMI comprises of principal and interest calculated on the basis of rate of interest as stated herein above.

9.(A) The Bank shall be entitled at its option to recall the entire outstanding together with interest and other charges in the following cases:-

- a) In case the Borrower defaults in payment of any installment or interest;
- b) In case the Borrower fails to create the security as undertaken within the period prescribed of such extended period as the Bank may allow;
- c) In case the Borrower contravenes any of the terms and conditions of the Facility, agreement and/or of the sanction letter;
- d) In such other cases/circumstances as the Bank may deem fit and proper.

B) In event of the Bank exercising its power to recall as aforesaid, the Borrower undertakes that irrespective of the period for which the Loan is made, the Borrower shall pay to the Bank immediately, after demand whereby the recall is made, the balance then outstanding in the Loan account together with interest and all other charges due there under. In case the borrower fails to pay the Loan amount, the Bank would also be at its sole discretion be entitled to without assigning any reason whatsoever and shall initiate the legal proceeding against the borrower for recovery of the entire outstanding amount.

10.The borrower further undertakes to pay forth with the costs and expenses (including legal costs) on a full indemnity basis incurred and/or to be incurred by the Bank for investigation of the title to any property offered as security and for the preparation, execution, preservation, performance, enforcement and realisation of the loan, security documents and other instruments creating and/or evidencing the creation of any security for the Bank or any other document/instrument required in connection with the Bank loan.

11.The loan shall be paid along with the interest regularly in monthly/quarterly/half yearly installments/EMI's _____ of _____ (Rupees _____) and the first EMI/installment shall commence on _____. No notice, reminder or intimation shall be given to the borrower regarding his obligation and responsibility to ensure prompt and regular payment of interest, EMI and all other amounts payable by the borrower to the Bank on the respective due dates, Furthermore, without prejudice to the Bank's other rights, delay in payment of EMI/interest, shall render the borrower liable to pay additional interest at the rate of 2% or the rate determined by the bank in this behalf from time to time notwithstanding any thing contained here in above the Bank shall have the right at any time or from time to time to review and reschedule the repayment terms of the loan or of the outstanding amount thereof in such manner and to such extent as the Bank may in its sole discretion decide. In such events the borrower shall repay the loan or the outstanding amount thereof as per the revised schedule as may be determined by the Bank in its sole discretion and communicated to the borrower by the Bank in writing.

12. In case the default has occurred in payment of interest/EMI/installments or any other amounts due and payable to the Bank in terms of the loan and/or in terms of any other agreements/documents that may be subsisting or that may be executed between the borrower and the Bank or where the default has occurred in the performance of any other covenants, conditions or Agreements on the part of the borrower under the loan or any other agreements between the borrower and the Bank. Under such circumstances the entire principal amount of loan together with interest and all other amounts shall become due and payable forth with and the Bank shall be entitled to enforce the security and recover the Bank loan with interest and all other amounts, under such circumstances, if the borrower fails to repay the loan upon demand made by the Bank, the Bank shall have the power/right to initiate the legal proceedings for recovery of bank dues.

13. Where the loan is provided to more than one borrower or where the payment obligations are secured by any guarantee, notwithstanding any thing herein stated, the liability of the borrower/s to repay the loan together with interest, and all other amounts and to observe these terms and conditions of any other agreements, documents that may be executed by the borrower with the Bank in respect of the Bank loan or any other loan or loans is joint and several.

14. It will be the duty and responsibility of the Borrower to obtain necessary permission of Vendor and/or any Authority/lessor, if required, under any law, rules, regulations or any instrument to create the security, hereby agreed by him to be created in favour of the Bank and it will be open to the Bank to refuse to disburse the loan until and unless the same is obtained and submitted to the Bank.

15. The borrower shall create security and/or guarantee/s as may be considered appropriate by the Bank in such a manner and form as required by the Bank. The borrower hereby undertakes to create equitable/registered mortgage of the property detailed in the schedule given at the end of this agreement to the entire satisfaction of the Bank as security for the loan granted to him immediately he is in possession or gets the registered/conveyance deed/documents of title. In case the borrower fails to create security on the proposed property (ies), the Bank shall have the right to recall the entire advance and initiate the recovery proceedings for recovery of bank dues.

16. The borrower(s) agreed that in the event of disbursement of said loan before the construction/completion of the house/flat and/or before creation of charge/mortgage on security, the borrower shall furnish such interim securities such as shares, gold/silver ornaments, LIC Policies of adequate surrender value, National Saving Certificates, any other movable/immovable property, sureties of sufficient worth as may be acceptable to the Bank.

17. The borrower shall before disbursement of the said loan or within such times as permitted by the Bank, create a mortgage of subject land and/or house/flat purchased by the borrower out of the amount of the said loan in favour of the Bank as and by way of Security for the said loan and shall execute/cause to be executed such documents, as may be required by the Bank for perfection of the security in Bank's favour. Such mortgage as far as possible would be created by deposit of title deeds and if the same is not possible, the borrower shall create a registered mortgage by execution and registration of a proper deed of mortgage of all the rights, title and interest in subject land and/or the house/flat purchased or in such other form of mortgage as may be approved by the Bank and the borrower shall if required by the Bank give such further security as may be acceptable to the Bank forthwith on demand by the Bank and the borrower shall be liable to pay all legal charges including stamp duty, registration or any other expenses required to be incurred for the same.

18.The borrower shall maintain such land/or house/flat in good tenantable repair and condition at his cost at all times so long as the borrower is indebted to the Bank and that the borrower shall ensure that Bank's security is not in any way jeopardized. The borrower shall duly and punctually pay any assessments, charges, fees, taxes, payment if any payable to the Housing Cooperative Society and also all the govt./Municipal Taxes, charges, rates, cesses etc. from time to time payable by the borrower in respect of such land and/or house/flat. The Bank shall be at liberty to inspect and enter into such land and/or house/flat at any reasonable hours of the day by giving seven days' previous notice and the borrower shall furnish all information/particulars whatsoever in respect of the same, as and when called upon by the Bank. The borrower further agrees and gives his consent to debit his savings/current account with the Bank the expenses incurred by the bank for preservation of the house/flat or for payment of any taxes, rates or other Government dues which ought to have been paid by the borrower.

19.The borrower shall not raise any loan for housing purpose from any other institution. The property so financed by the bank will be maintained, when purchased/completed in good order and condition and all necessary repairs, additions and improvements thereto will be made during the currency of the bank loan and that the borrower will ensure that the value of the property does not diminish. Besides this the borrower shall pay all taxes etc and abide by the construction laws.

20.The Borrower(s) hereby expressly covenants with the Bank that unless the Bank shall otherwise previously approve in writing, the borrower shall not :-

- (a) Possession : Let out or give on lease or licence or otherwise howsoever part with the possession of the property or any part thereof.
- (b) Alienation : Sell, mortgage, lease, surrender or otherwise howsoever alienate, encumber or create any third party interest in the property or any part thereof.
- (c) Agreement and Arrangements : Enter into any Agreement with any person, institution or local or Government body for the use, occupation or disposal of the property or any part thereof.
- (d) Change of use : Change residential use of the property provided that if used for any purpose other than residential purpose, in addition to any other action which Bank might take, Bank shall be entitled to charge, in its sole discretion, such higher rate of interest as it might fix in the circumstances of the case.
- (e) Merger : Amalgamate or merge the property or any of his property with any other adjacent property nor shall the borrower create any right of way or any other easement on the property.
- (f) Surety or Guarantee : Stand surety for anybody or guarantee the repayment of loan or overdraft or the purchase prior of any asset.
- (g) Leaving India : Leave India for employment or business or for long term abroad without fully repaying the Bank's loan together with interest and other dues and charges including prepayment charges as per the rules of the Bank then in force. Whether the stay is long term or not shall be decided solely by Bank.

- (h) Execute any documents, such as Agreement to sell, Power of Attorney, or any other similar or other deed etc, in favour of any person to deal with the property in any manner.
- (i) Effect any oral or other partition of the property or enter into any family arrangement or use it for the purpose of business.
- (j) Save and except with the prior written permission of Bank not to borrow from any source nor to charge any property until the borrower's dues are paid in full.

In case any violation of the above, the bank shall have right to recall the entire advance and initiate the legal proceedings

21. The Borrower shall get the security fully insured against loss, damage by fire, riots and other hazards like earthquake, floods as per the requirements of the Bank in the joint name of the Borrower and the Bank with the usual Bank clause till repayment of in full of the entire loan liability of the Borrower. In case of default in furnishing Insurance policy by the borrower, the same shall be deemed as breach of this agreement. In case the Borrower fails to insure the said property, it will be open to the Bank to get the same insured, without being bound to do so, as aforesaid and to debit the amount of premium to the Borrower's account which shall thereupon be treated as part and parcel of the principal amount advanced.

22.1 The Borrower hereby further declares and agrees that :

- a) Upon any money becoming payable under the insurance policy, the same shall be paid by the Insurance company to the Bank and such part of any moneys so paid, as may relate to the interest of other parties insured there-under, shall be received by the Bank as agent for such other parties. And any sum received under such insurance shall be applied in or towards liquidation of the amount due to the Bank and other parties on account of the said loan, interest and other charges as aforesaid and in the event of there being a surplus, the same shall be refunded to the Borrower.
- b) The receipt by the Bank of insurance proceeds shall be a complete discharge of the insurance company and shall be binding on all parties insured there under.
- c) Any adjustment, settlement, compromise or reference to arbitrations in connection with any dispute between the Insurance company and the insured or any of them arising under or in connection with the policy shall be valid and binding on all parties insured there under, but not so as to impair the right of the Bank to recover the full amount of any claim, it may have on other parties insured there under.

23. In case of loan given for the purchase/acquisition of house/flat from Development Authority/ Housing Board/Private Builders/Group Housing Society, the Bank shall not be responsible or liable to ensure or ascertain the progress of construction and mere demand for payment would be sufficient for the Bank to effect disbursements as aforesaid. Without prejudice to the above and notwithstanding anything to the contrary contained herein, the Bank may in its sole discretion refuse to disburse the loan and/or recall the entire outstanding dues, if the progress of the construction work is not satisfactory and/or failure to pay margin by the borrower.

24. The Borrower undertakes to take necessary steps to get the lease hold property converted into free hold and get the conveyance/ transfer deed executed and registered and bear all necessary expenses connected therewith from his sources and submit the relative document to the Bank.

25. The Borrower hereby agrees to hold himself liable on all the confirmation letters signed by anyone of the borrowers and on all the accounts stated to any one of them. The Borrower agrees that each one of them is agent for the others to acknowledge and admit liability outstanding in the account from time to time extending limitation against all of us.

26. The Borrower agrees and hereby gives to the Bank, during the currency and for the payment of the Loan, a general lien and right to set off; and combine accounts without notice; and charge on all movable property of every description coming into the Bank's possession on account of the Borrower for the time being held by the Bank, whether singly or jointly with others in India or elsewhere including, without prejudice to the generality, any monies, bullion, deposits, deposit receipts, promissory notes, bill of exchange, cheques, railway receipts, Govt. bills and other documents/securities of every description.

25. Any demand herein may be made on the Borrower by an officer of the Bank or any notice in writing under the hands of any such officer either served personally on the Borrower or left at or sent by post to him at his address registered/available with the Bank

27.(a) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Bank of all or any such –

(i) Information and data relating to the Borrower;

(ii) Information or data relating to any loan / credit facility availed of/to be availed, by the Borrower, and

(iii) Default, if any, committed by the Borrower, in discharge of the Borrower's such obligation, as the Bank may deem appropriate and necessary, to disclose and furnish to the Credit Information Bureau (India) Ltd. and/or any other agency authorized in this behalf by RBI.

b) The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct.

c) The Borrower agrees that –

(i) The Credit Information Bureau (India) Ltd. and / or any other agency so authorized may use/ process the said information and data disclosed by the Bank in the manner as deemed fit by them; and

(ii) The Credit Information Bureau (India) Ltd. and/or any other agency so authorized may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf.

I/We hereby agree that mortgage property be sold to enforce payment of money due under this contract, secured against such mortgage or otherwise charged upon immovable property under mortgage, by the Bank, to which I/We shall not object before any forum or court or arbitral proceedings.

In case the legal proceedings are initiated by the Bank on account of default by the borrower, all dues together with cost, charges and expenses incurred on the same, shall be debited to the loan account of the borrower(s) and shall be recoverable/payable as a part of the principal amount.

ARBITRATION

In case of any dispute between the bank and all or any one or more of the parties, guarantor or and such other person(s) connected with the agreement, regarding the interpretation or meaning of any of the terms of this agreement, or any nature of differences, disputes, rights, claims, recovery and obligation or their enforcement or performance or to enforce payment of money secured by a mortgage or otherwise charged upon immovable property covered by this agreement or touching this agreement directly or indirectly, however, remotely it may be, including the disputes or breach, violating, contravening any condition or term of this agreement, assessment of damages, compensation, interest, additional interest prior to reference, pendentelite and future interest, for such breach violation or contravention, termination, determination of the agreement/contract, also covering disputes or matter(s) relating to section 13(10), 17 to 18, 18B to 19 in chapter III of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, as amended by the Enforcement of Security Interest and Recovery of Debts Laws(Amendment) Act 2012 (1 of 2013) read with the corresponding Rules under the Security Interest (Enforcement) Rules, 2002 as amended from time to time, and all other matter(s) shall be referred by either party to this agreement, promissory note, agreements and guarantee deed to the sole Arbitration, by any one of the arbitrators on the named Panel of Arbitrators herein below at the option of the party raising the dispute or difference referred to above. In the event of appointed Arbitrator’s inability, incapacity, death or refusal to act, the vacancy shall be filled from amongst the remaining Arbitrators named in the Panel of the Arbitrators at the option of the party raising the matter in difference. The reference shall not be determined by the death of the borrower(s)/guarantor(s) or on the winding up of the Bank and this shall be deemed to be agreement of arbitration between the Legal Representatives, heirs liquidators, administrators & the like.

Panel of Arbitrators

1. _____
2. _____
3. _____
4. _____

The jurisdiction of Courts, Consumer Forums, Rent Controllers under the EPURR Act, Rent Authorities under the Punjab Rent Act 1995, as amended by 2014 Act, Tribunals(Including Debt Recovery Tribunals) and their appellate authorities, other than the jurisdiction

exclusively and specifically exercisable by the concerned, authorized officer of the creditor or Chief Metropolitan Magistrate or District magistrate, under section 13(1) to 13(9) & 13(11) to 13(13) to section 16 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as amended by the Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act 2012 (1 of 2013) read with the corresponding Rules under The Security Interest (Enforcement) Rules, 2002 as amended from time to time, are ousted in the light of the above arbitration clause.

It is clarified that all matter(s) coming within the ambit of section 13(1) to 13(9) & 13(11) to 13(13) to section 16 in chapter III of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as amended by the Enforcement of Security Interest and Recovery of Debts laws (Amendment) Act 2012 (1 of 2013) read with the corresponding Rules under the Security Interest (Enforcement) Rules, 2002 as amended from time to time, exclusively and specifically exercisable by the concerned, authorized officer of the creditor or Chief Metropolitan Magistrate or District Magistrate, as the case may be, are not covered by the above arbitration clause and cannot be referred to arbitration.

The party raising dispute shall give 15 days notice of their intention to make the reference to the other party or parties addressed to his/her/their usual place of business or residence or at his/her/their last notified address and the notice by post or courier or e-mail/SMS etc shall be deemed to have been served when sent on such address(s). On the expiry of said period of 15 days, the party giving the notice shall also be entitled to make a reference to arbitrator and it will not be necessary to make a joint submission of reference to arbitration, which reference shall not be objected to by other party as being unilateral, Arbitrator's decision by way of award and can also make award of selling the mortgage property to enforce payment of money secured against such mortgage or otherwise charged upon immovable property under mortgage, shall be final and binding and shall not be challenged in any court of law. The proceeding before the Arbitrator and all arbitral matters shall be followed as per the existing and then prevailing arbitration law or its substituted arbitration law as amended from time to time, with place of Arbitration at Jalandhar City.

The Schedule I referred to above
(Description of property to be mortgaged)

The Schedule II referred to above
(Repayment Schedule)

In witness whereof the parties to the agreement set his/their hand(s) at
_____ on _____ day of _____ year
20_____

Signature of borrower(s)

Name _____

Address _____

Place: _____

For Capital Small Finance Bank Ltd

Date: _____

Manager