



## Muthoot Finance

(RBI Licence Regn. No-N-16-00167)

### TERMS AND CONDITIONS

- The quantum of loan shall depend on the pure gold content in terms of carat in the jewellery offered as collateral security (pledge articles) and the loan scheme opted by the borrower. The tenure of loan will be 360 days unless a lesser period is specified under any particular scheme.
- The annual rate of interest charged shall depend on the loan scheme opted by the borrower. Interest is calculated on 30 days compounding basis. Penal interest at the rate given in loan sanction letter will be charged for the overdue period beyond the loan period. Interest is calculated on the basis of completed number of days with a year calculated as 365 days. Interest is inclusive of opening and closing days of the loan. In case of EMI loans the rate of the interest and other terms and conditions are as mentioned in the EMI chart (Attached).
- Interest will be charged for a minimum period of 7 days, with a minimum amount of Rs.50/- Interest/Penal Interest will be compounded monthly.
- The company reserves the right to change the rate of interest at its discretion at any time taking into consideration all relevant factors such as cost of funds. Any change in the rate of interest shall have effect prospectively only.
- In the event of pre-payment of the loan or any part thereof by the borrower, the amount will be first adjusted towards costs/charges and interest and then towards the principal loan amount without any pre-payment penalties except under IPL scheme, where prepayment charges will also be applicable.
- The loan amount along with interest and other charges is repayable on demand made by the company. Remittance of Rs. 2 lakh and above towards the loan(s) will be accepted only through RTGS/NEFT/other modes of digital payments. Even if not demanded, the loan has to be repaid with interest within the loan tenure. In case the value of the gold ornaments given as collateral security comes down below the total dues payable, the borrower has to immediately make good the amount of shortfall either in cash or by pledging additional gold ornaments of proportionate weight/value. In the event of failure on the part of the borrower to do so, the Company shall have the right to recall the loan and demand the borrower to repay the entire loan amount together with interest and other charges any time during the currency of the loan.
- In case of any default on the part of the borrower to repay the loan amount together with interest/charges within the due date or earlier as demanded by the company, the company has the legitimate right to initiate legal proceedings against the borrower and/ or sell the ornaments pledged through an auction process by giving 14 days prior notice to the borrower at the address given in the application for loan and appropriate the amount so received towards the loan amount, interest and other charges as mentioned below. If the amount realised through an auction is insufficient to cover the total dues to the Company, the shortfall will be recovered from the borrower or from his personal assets like immovable assets such as Land, Building or any movable assets, Where the amount realised through auction is higher than the total amount due from the borrower, then the excess amount realised will be refunded to the borrower either in cash or by Cheque within 30 days from date of such realisation. However, if there is any other amount due from the borrower, the same will be recovered by appropriation from the excess amount and the balance if any, thereafter only will be refunded to the borrower.

#### Bifurcation of Auction Expenses

Loan Amount	Auction Expenses	Printing and stationery	Advertisement charges	Transportation	Insurance	Charges paid to auctioneer	Postage	Expenses incurred for sorting, lifting and other auction related works	Loan Amount	Cheque re-issue charges
0-1 Lacs	Rs.500	50	150	50	25	25	50	150	0-1 Lacs	100
1-2 Lacs	Rs.750	100	150	75	75	50	50	250	1-5 Lacs	150
2 lacs and above	Rs.1000	150	150	100	75	50	50	425	5 lacs and above	200

- I agree that as a pre-condition of the loan given to me by the Company, in case of any default in repayment of the loan or interest thereon, or any of the agreed installments of the loan on respective due date(s), the Company will have an unqualified right to disclose or publish my name, details and photograph as a defaulter in such manner and through such medium, as the Company in their absolute discretion may think fit. For recovery, the Company could go in for the Road Show(s) or conduct open "Munadi". (Announcement through loudspeaker). Officials/authorized representatives of the company may visit the residence/place of work/business of the borrower as part of follow-up of the loan.
- In case the company terminates a loan scheme for whatever reason, no further loan will be granted under that scheme. If a borrower who had availed a loan desires to continue the loan even after termination of the scheme by payment of interest, he/she shall close the said loan account and avail a fresh loan under any of the existing/new scheme which permits the borrower to avail loan at the same per gram rate of the closed loan scheme or pay the differential in case he is getting lower amounts under the new scheme.
- The company has absolute right to sell, transfer, assign and securitise all the rights, titles and interest that accrue to the Company on this loan transaction to another individual or Company or entity or to borrow/take loan by creating charge on it. The Company, if required, shall also have the absolute right to give as security all documents, deeds or ornaments given as security in this loan transaction to borrow money or avail loan. The Borrower hereby consents to the Company for disclosing any information or data related to the loan facility availed by him to the Credit Information Bureau (India) Limited and/or any other agency authorized in this behalf by Reserve Bank of India or other statutory bodies. The Borrower is aware that such agencies may use or share such information in the manner as deemed fit by them. The borrower hereby gives his consent to the Company for accessing any information or data related to him available with the Credit Information Bureau (India) Ltd. or any other similar agency.
- Only the person who has availed the loan or his authorized representative has the right to get back the ornaments pledged as security after repayment of the loan together with interest and other charges in full. Duplicate copy of this Sanction Letter will have to be surrendered to the Company at the time of closure of the loan account for getting back the pledged articles.(in case of loss of the copy of the sanction letter an indemnity has to be executed by the borrower).
- The pledged articles will be released to the borrower on repayment of all dues. If any right of set off is to be exercised, the borrower will be given due notice with the particulars of the claim/s.
- The loan should not be utilised for any illegal or unlawful activities.
- The Company will not entertain any request for transfer of the borrowal account from one branch to another. However, the Company reserves the right to shift loan account and/or the pledged articles to another Branch of the Company.
- The company will not accept ornaments embedded with costly stones like diamond etc. nor shall the Company entertain any claim whatsoever subsequently relating to the value of the stones.
- For the purpose of arriving at the net weight of the ornament for calculation of the eligible loan amount, the purity of the ornament has been taken as 22 carat. The Company is certifying the purity of the pledged articles solely relying on the proof made available by the borrower/declarations and affirmations made in the loan application and by conducting some basic tests. If the Company finds out or comes to know subsequently that the gold ornaments pledged as security are spurious or are having purity less than 22 carat, the Company shall initiate civil and criminal proceedings against the borrower and the borrower shall be solely responsible for all the costs and losses suffered by the Company on this account.

17. In the event of loss of pledged articles, on account of theft, burglary etc., the liability of the company is limited to paying the equivalent value of net weight of 22 ct gold, after deductions on account of stones.etc , assessed for the purpose of determining the loan amount at the prevailing India Bullion and Jewellers Association rate, as on the date of robbery/loss, after deducting the loan amount and interest till the date on which the borrower makes a claim in writing.
18. All communications shall be sent to the address furnished by the borrower in the application form for loan. If there is any change in the address or phone number, the same shall be intimated to the company promptly in writing by the borrower failing which it will be presumed that all communications including demand notices, auction notices etc send to the said address are deemed to have been received by the borrower.
19. The Company may opt to send SMS or communication in other modes reminding payment of interest/principal and about any other products/services of the Company or of any other entities or for conveying any information to the borrower.
20. This loan is sanctioned in compliance of the terms of the "Fair Practices Code" of the Company published in the Company's website [www.muthootfinance.com](http://www.muthootfinance.com). Our these terms and conditions are also available at the website, please go to Fair Practices Code on the link <http://www.muthootfinance.com/policy/fair-practices>, under the subheading "Loan appraisal and terms and conditions". Changes in the terms and conditions will be notified in the website from time to time which will be applicable for all loans sanctioned subsequently.
21. The employees/auditors of the Company will have the right to verify the purity of the ornaments offered as collateral security adopting the standard appraisal methods as laid down by the Company whenever such verification is warranted.
22. The borrower shall bear to pay the stamp duty on the loan document including additional stamp duty, taxes, penalties etc. as may be levied by the Government/ Authorities from time to time in relation to the loan account.
23. If the borrower has any grievance about any of the aspects concerning the loan availed against the security of the gold ornaments, he/she shall first bring it to the notice of the Branch Manager concerned. If the Branch Manager could not resolve the grievance, the borrower shall take up the matter with the Regional Manager concerned whose address is displayed in the Branch premises. If the Regional Manager also could not resolve the grievance to the satisfaction of the borrower, the borrower may write to the grievance Redressal Cell of the Company at the following address. **The Grievance Redressal Cell Officer, Muthoot Finance Ltd., Head Office: Muthoot Chambers, Opp. Saritha Theatre Complex, Banerji Road, Kochi - 682 018 (For the South Indian States of Kerala, Karnataka, Tamil Nadu, Andhra & Telangana and Pondicherry and Goa). The Grievance Redressal Cell Officer, Muthoot Finance Ltd., Muthoot Towers - Alaknanda, New Delhi - 110 019 (For all other States in the North, East and Western Regions).**
24. The Company will not interfere in the affairs of the borrower except for the purpose provided in the terms and conditions of the loan sanctioning letter (other than for seeking new information not earlier disclosed by the borrower).
25. The borrower authorises the Company to hedge the price risk by entering into options contract on the underlying pledged Articles which are offered as collateral for this loan and agree to pay the respective proportionate premium in respect of the option contract.
26. The Company shall have no liability for any loss/damage caused to the pledged articles due to reasons beyond its control i.e., natural calamities such as fire, floods, earthquake etc. and in such eventualities the borrower shall receive only such compensation if and when received by the Company from the settlement of insurance claim.
27. All disbursements of loan/repayment of loan/payment of interest and all other transactions shall be done by the borrower during working hours on any working day. If the due date of any repayment or payment of any amount is not a working day, it shall be made on the working day immediately preceding that day.