TERMS AND CONDITIONS (GOLD LOAN FACILITY)

1. The quantum of loan shall depend on the pure gold content in terms of carat in the jewelry offered as collateral security (pledged articles) and the loan scheme opted by the borrower. The tenure will be 12 months unless a lesser period is specified under any particular scheme.

2. The annual rate of interest charged shall depend on the loan scheme opted by the borrower. Interest is calculated on monthly compounding basis. Penal charges at ₹ 0.08 per day per ₹ 1000 or part thereof will be charged for overdue period beyond the principal due date in addition to rate of interest mentioned in the sanction letter. Interest is calculated on the basis of completed number of days with a year calculated as365 days. In case of EMI Loans, EMI details shall be mentioned in EMI chart.

3. Interest will be charged for a minimum period of 15 days in loan schemes with a minimum effective interest rate of 14% and below and for a minimum period of 7 days for other schemes having a minimum effective interest rate of above 14%, with a minimum amount of ₹ 50/-, or as otherwise specified for particular GL schemes in the sanction letter.

4. The company reserves the right to change the rate of interest/charges at its discretion at any time taking into consideration all relevant factors such as cost of funds. Any change in rate of interest/charges shall have effect prospectively only.

5. 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.

6. The loan amount along with the interest and other charges is repayable on demand made by the company. Remittance towards the loan(s) shall be possible either by cash (up to <₹2 l in a month per borrower) / RTGS / NEFT/IMPS to designated Virtual account in the name of Muthoot Finance Ltd. or through other Muthoot digital channels such as iMuthoot, Empay, POS, or BBPS. The company shall not be liable for payments made to any other bank account. Even if not demanded, the loan has to be repaid with interest within the loan tenure. In case the value of gold ornaments given as collateral security comes down below the total dues payable, the borrower has to pledge additional gold ornaments proportionate to weight/value. In case of failure to comply with additional margin requirements by the Borrower, additional margin shortfall charges for every such breach shall be levied by the Lender. In the event of failure on the part of the borrower to do so, the company has the right to recall the loan and demand the borrower to repay the entire loan together with interest and other charges any time during the currency of the loan.

7. 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. In case the borrower(s)/legal heir(s) could not be located despite best efforts and even after issuance of a public notice, the Company may proceed with the auction, provided that a period of one month has lapsed from the date of the public notice. 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 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 a maximum period of 7 working days from date of such realisation. However, if there are any other amounts 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.

8. The Borrower has, or there is a reasonable apprehension that the Borrower would, voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law MFL reserves the right to sell the ornaments pledged through the auction process by giving 14 days prior notice to the borrower at the address given in the application for loan and to appropriate the amount so received towards the loan amount, interest and the other charges as mentioned below.

9. Bifurcation of Auction Expenses

Loan Amount (₹)	Printing and Stationery(A)	Lifting &Trans –portation (₹)	Postage(B)	Expenses for sorting and other auction related works (₹)	Advertisement Charges (C)	Charges Paid to auctioneer (D)	Total (Excluding A, B, C& D) (₹)
Up to 1 lakh	Actuals	70.00	Actuals	100.00	Actuals	Actuals	170.00
1 lakh to below 2 lakh	Actuals	95.00	Actuals	150.00	Actuals	Actuals	245.00
2 lakh & above	Actuals	120.00	Actuals	200.00	Actuals	Actuals	320.00

10. 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 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 scheme which permits the borrower to avail loan at the LTV / interest rate applicable for the renewed scheme and pay the differential amount if any in case he is getting lower amounts under new scheme.

11. The company has absolute right to sell, transfer, assign and securities 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.

12. 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 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).

13. The pledged articles will be released to the borrower on the same day but in any case, not exceeding a maximum period of seven working days upon full repayment or settlement of the loan. If any right of set off is to be exercised, the borrower will be given due notice with the particulars of the claim/s. In case of delay in release of the pledged collateral after full repayment or settlement of loan by the borrower, where reasons for delay are attributable to the Company, the company shall compensate the borrower(s) / legal heir(s) at the rate of ₹5,000 for each day of delay beyond the prescribed timeline of seven working days.

14. The loan amount should not be utilized for any illegal or unlawful activities.

15. The Company will not entertain any request for transfer of the borrower 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.

16. 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.

17. 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 fake or spurious or are having purity less than 22carat, 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.

18. In the event of loss of the Pledged Articles on account of theft, burglary, fire, floods, earthquake etc., the liability of the company is limited to paying the equivalent value of net weight of 22 carat gold. After deductions on account of stones, etc. assessed for the purpose of determining the loan amount at the prevailing India Bullion and Jewelers' Associations 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.

19. 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, sent to the said address are deemed to have been duly received by the borrower. All important communications which affect the interest of the borrower or the Company shall be in the language of the region or in a language chosen by the borrower.

20. The Company may share my personal data with its group and third parties to send payment reminders or information regarding Company, group, or third-party products via SMS or other modes. To opt-out of this sharing, visit your nearest branch.

21. In cases where loans are availed under schemes such as ZIL, ZIP, TTR, etc., and the associated products or services are rendered by a third party or a vendor appointed by MFIN, the Company may share the borrower's personal data with such third parties or vendors for the purpose of fulfilling the loan-related obligations and services.

22. 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. Our 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.

23. The employees/auditors of the Company will have the right to **carry out surprise verification and** verify the purity of the ornaments offered as collateral security, **even in the absence of the borrower,** adopting the standard appraisal methods as laid down by the Company whenever such

verification is warranted. Post pledging, cases involving loss of gold collateral and any deterioration and discrepancy in quantity or purity observed during internal audit or otherwise including at the time of return or auction of collateral shall be recorded and communicated promptly to the borrower(s) / legal heir(s).

24. The borrower shall bear/ 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.

25. 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 Finance Ltd, NH Bypass, Palarivattom, Ernakulam 682028. (For South Indian States of Kerala, Karnataka, Tamil Nadu, Andhra & Telangana and Pondicherry and Goa). The Grievance Redressal Cell Officer, Muthoot Finance Ltd., Muthoot Towers - Alakananda, New Delhi - 110019.(For all other States in the North, East and western Regions).

26. 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).

27. The borrower authorizes 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.

28. In case of any damage to the pledged eligible collateral by the lender during the tenor of loan, the cost of repair shall be borne by the Company. 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.

29. All disbursements of loan/Repayment of loan /payment of interest all other transactions shall be done by the borrower during the 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.

30. The Borrower(s) confirms that the value of the Pledged Articles as maintained in MFL record is acceptable, Conclusive and final and binding on the Borrower(s).

31. It is understood that by virtue of the Loan being sanctioned by the MFL to the Borrower, it does not mean, the MFL confirms or accepts the gold ornaments pledged is of a particular carat purity.

32. Borrower shall ensure that the at all times aggregate amounts outstanding under the Transaction Documents is not more than RBI permitted LTV % of value of Pledged Articles, as maintained in MFL's Record or such other percentage as stipulated by the MFL from time to time ("Margin").

33. The Borrower agrees that he/she shall indemnify and hold harmless the MFL for all losses and liabilities (including due to claims by a third party), incurred by the MFL as a result of any breach of any terms and conditions or any misrepresentation made in relation to the Facility or Pledged Articles. The Borrower shall also reimburse the MFL for any cost and expenses in connection with the Loan(s) including cost for insuring the securities, enforcement costs, clearance of arrears of all taxes and any other levies of Government etc.

34. Borrower shall furnish all documents/information as may be required by the MFL from time to time. The MFL may itself or through its agents verify any information given, check credit references, employment details and obtain credit reports or any other information deemed necessary by MFL, from time to time.

35. In case of death of any Borrower, the change of constitution of the Borrower/ownership of the ornaments pledged should be with the prior consent of the MFL.

36. If any representations of the Borrower are found to be false, misleading or incorrect upon detection of any systemic fraud in relation to the quality of the Pledged Article, MFL may call upon the Borrower to pay forthwith the outstanding balance of the Facility together with interest and all sums payable as per the terms and conditions of loan documents;

37. MFL may call upon the Borrower to pay all claims, costs, losses and expenses that may be incurred by the MFL because of any act or default on the part of the Borrower with respect to the Facility and/or for the recovery of the outstanding dues (including legal/attorney fee) and/or on account of failure of the Borrower of any of the terms and conditions under the Transaction Documents.

38. Any dispute related to the Loan Agreement will be resolved through arbitration, per the Arbitration and Conciliation Act, 1996. The parties consent for/agree to institutional arbitration (IA), with the sole arbitrator appointed by IA being final/conclusive. Arbitration proceedings shall be held in Ernakulam, Kerala, India, in English language, and governed by Indian law. The Arbitration proceedings and awards made will remain confidential unless required by law. The arbitrator's award will be final and binding on both parties.

39. The MFL shall be entitled at the sole risk and cost of the Borrower to engage one or more person(s) to collect the Borrower's dues and shall further be entitled to share such information, facts and figures pertaining to the Borrower as the Lender deems fit. The Lender may, at any time, assign or transfer all or any of its rights, benefits and obligations under the Transaction Documents.

40. The borrower agrees that if the balance in the Gold Loan account is/ brought down to zero or if balance outstanding falls below 25% of loan amount, at any time and the act of the company to continue to hold the custody of gold under pledge shall not be treated as a locker facility and he/she is aware that this act of the company is not regulated by the Regulators.

DECLARATION AND UNDERTAKING

1. 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), Officials/ authorized representatives of the company can visit the residence/place of work/ business of borrower as a part of follow-up of loan. For such services, Door to Door collection charges up to Rs.177/- per loan account is applicable.
2. I Undertake to repay the loan availed by me with interest and other charges within 12 months, or within the sanctioned period specified under the scheme.
3. I have fully understood the terms & conditions including those mentioned hereinafter and rate of interest applicable to the loan availed by me and I agree and accept the same.
4. I am the true and beneficial owner of the gold ornaments offered by me as collateral security for the loan I am availing. I have acquired the said jewelry in a lawful manner and there is no claim or dispute in respect of the ownership of the same from any person living or legal heir(s) of any deceased person.
5. The ornaments offered as security are made of pure gold of 22 carat purity.
6. I agree that the MFL shall be entitled, without furnishing any notice, to open such sealed packet during the tenor of the Loan and conduct investigation/s in connection with the quality of the Pledged Articles (including but not limited to melting/cutting/ conducting destructive tests or other tests on the Pledged Articles) at the Borrower (s)'s risk and cost at any time. Borrower agrees and undertakes that the findings of MFL shall be binding and Borrower shall not dispute the same in any manner whatsoever.
7. As security for the due repayment of the loan amount, interest, I am on my own volition, executing a Demand Promissory Note, DPN Delivery letter and Letter of waiver in favor of Muthoot Finance Ltd (MFL) I have read the terms & conditions including those mentioned in the Demand Promissory Note for the grant of the loan which is provided to me in the language opted by me, in which I am conversant and comfortable with.
8. **Vernacular declaration**: The aforementioned terms and conditions have been further explained to me in a language understood by me and I have understood the entire meaning and implications of the various clauses and executed these documents, which have been filled in my presence. I have received copies of all documents executed by me for and in connection with the loan in the form of electronic documents and I am aware that if any physical copies required by me such copies are available to me at a nominal cost.
9. In case any of my affirmations /declarations about ownership and/or purity of the gold are proved to be incorrect, I shall indemnify and keep MFL indemnified to the extent of losses suffered by the Company on account of such wrongful declaration and the loan shall become repayable forthwith with interest and all other charges. Any dispute related to the Loan Agreement will be resolved through arbitration, per the Arbitration and Conciliation Act, 1996. The parties consent for/ agree to institutional arbitration (IA), with the sole arbitrator appointed by IA being final/conclusive. Arbitration proceedings shall be held in Ernakulam, Kerala, India, in English language, and governed by Indian law. The Arbitration proceedings and awards made will remain confidential unless required by law. The arbitrator's award will be final and binding on both parties.
10. I am aware that the loan documents are signed by me on the basis of validating an OTP sent to my registered mobile number as recorded in MFL systems and such signature is binding on me and I don't have any claims/disputes in this regard.

I the holder of Aadhar Number___________________________/ Primary KYC ID hereby give my consent to M/s MFL to obtain my Aadhar/ KYC Number, name and Fingerprint/s for authentication with UIDAI. M/s MFL has informed me that my identity information would only be used for 'e'KYC and also informed that my biometrics will not be shared and submitted to CIDR only for the purpose of authentication.

The important Terms & Conditions have been explained to me in the presence of …………………………………… (applicable in the case of illiterate borrower)

Signature of Witness:
(Not a staff member)

Date:

Signed by OTP

Signature of Borrower

CERTIFICATE

The purity of the gold content in the net weight of the jewellery pledged as security for the loan is approximately assessed as 22 carat on the basis of proof made available by the borrower / declarations made in the application for the loan, solely for the purpose of determining the permissible loan amount and the reserve price for auction. No obligation shall vest with the Company with regard to the purity of the gold on the basis of this certification. The borrower(s) was/were present at the time of assaying the gold collateral. The deductions relating to stone weight, fastenings etc. as part of the assaying procedure was explained to the borrower(s). Gross weight, Net weight of the jewellery, deduction towards stones, fastening etc., item description, number and image of the jewellery accepted for pledge are as stated in the Appraisal Note in the Gold Pledge Receipt.

Digitally Signed by the Branch Manager Name:

EMP No: