

### **Important Terms & Conditions – Small Enterprise Loans**

**Purpose of loan:** Loan shall be granted for business purposes. Any form of personal investment is strictly prohibited.

**Loan Approval:** The Bank reserves the right to approve or reject a loan application in accordance with its policies.

**Processing fee:** The Bank shall charge a non-refundable processing fee during disbursement of the loan, which is a certain percentage of the overall loan amount. Additional GST is applicable on this processing fee. This fee shall be deducted from Borrower's Current / Savings Account maintained with Bandhan Bank.

**Interest:** The rate of interest will be fixed for the entire tenure of the loan. Interest shall be charged on reducing balance i.e. only on principal outstanding.

**Disbursement:** Disbursement will be effected directly into the Borrower's Current / Savings account with Bandhan Bank.

**Schedule of Charges:** The Borrower shall pay the charges to the Bank as per the standard schedule of charges mentioned in our website for various services rendered by the Bank unless otherwise specifically waived/reduced in writing by the Bank. The Bank reserves the rights to alter any charges or fees, as mentioned in the schedule of charges on our website, from time to time or to introduce any new charge or fees, as it may deem appropriate.

**Default interest:** In the event of default or delay in payment of EMI or any irregularity in the account, the Bank reserves the right to levy a default interest, as per charges mentioned on our website, on the irregular amount for the period of irregularity, over and above the applicable rate of interest.

**Repayment:** All Small Enterprise Term Loans are to be repaid in Equated Monthly Instalments (EMIs) over the tenure of the loan which shall be debited automatically by the Bank on pre-specified EMI date every month. The repayment schedule shall be detailed in the Loan Agreement / Sanction Letter which will have to be signed by Borrower before disbursement. The liability to the bank will be extinguished only when the outstanding in the loan account becomes nil, including any due interest or charges.

**End-Use Verification:** The Bank reserves the right to verify whether the loan has been utilized for the purpose stated in application form.



**Insurance:** Insurance may be availed of by the Borrower to secure the loan in case of any unforeseen exigency.

**In the event of default:** If the amount due i.e. EMI is not paid by due date, without prejudice to other rights available with the Bank, the customer shall be sent reminders for payment of any outstanding on his loan account, by post, fax, call, email, SMS messaging and/or through third parties appointed for collection purpose to remind, follow-up and collect dues. Any third party so appointed, shall adhere to the Indian Banks Association's (IBA) code of conduct on debt collection. Further, it shall be the liability of the customer to ensure that the EMIs are regularly paid on the due dates.

**Credit Bureau Reporting:** Bandhan Bank is authorized to disclose any information relating to the loan to any Credit Bureaus (Existing or Future) approved by the Government of India and RBI or any such government agencies without any notice to the Borrower. The Bank is also authorized to make inquiries with any Credit Bureau or any other bank if required.

**Disclaimer:** *These Terms & Conditions are non-exhaustive, and are subject to change without prior intimation.*