

**Key Fact Statement**

**Date:** \_\_\_\_\_ **Name of the Regulated entity** **Loan Reference / Application no:** \_\_\_\_\_  
 DMI Finance Pvt. Ltd.

**Applicant Name:** \_\_\_\_\_

Sr. No.	Parameter	Details
1	Type of Loan & Purpose  The Loan shall be used only for the purpose as set out in this Key Facts Statement and in particular shall not be utilized for the following: (a) any investments in capital markets, which includes stocks, bonds, and other financial securities (b) purchase of gold in any form including primary gold, gold bullion, gold jewellery, gold coins, units of exchange traded funds (ETF) and units of gold mutual fund or (c) any speculative investments or speculative purpose or (d) for any activity which is illegal or prohibited by law or in respect of which the use of loan funds is restricted by law.	[•]
2	Sanctioned Loan	
3	Disbursal schedule (i) Disbursement in stages or 100% upfront. (ii) If it is stage wise, mention the clause of loan agreement having relevant details	100% Upfront
4	Loan term (year/months/days)	[•] Months
5	Instalment Details	
(a)	Type of instalments	
(b)	Number of EPIs	
(c)	EPI (₹)	
(d)	Commencement of repayment, post sanction	
6	<b>Interest Rate % and type - Fixed on reducing balance/Floating</b>	
(a)	<b>Fixed Interest Rate</b>  In case of Sanctioned Loan originally provided at Fixed Interest Rate for a tenure longer than 7 years, the Lender shall have the right to switch the Applicable Interest Rate to Floating Interest Rate at the end of 7 years from the date of disbursement. 90 (ninety) days before the completion of 7 years, DMI shall notify the Borrower in writing of the then prevailing Floating Interest Rate and applicable Conversion Charges and provide the Borrower the option to prepay the Sanctioned Loan without any pre-closure charges. If the Borrower does not avail such option to prepay before the expiry of 7 years, then the Lender shall have the right to switch the Applicable Interest Rate to Floating Interest Rate.	_____ % PA



(b)	<b>Floating Interest Rate</b>	<p><b>Benchmark Rate:</b> DMI Floating Reference Rate which is determined by DMI in accordance with its interest rate policy. Any changes to this rate shall result in change in applicable interest and shall be communicated by DMI to the Borrower in writing.</p> <p><b>Benchmark Rate:</b>  <b>Spread:</b>  <b>Final Rate: Benchmark Rate + Spread:</b></p> <p><b>Reset periodicity:</b> At such intervals as decided by DMI</p> <p><b>Impact of change in Benchmark Rate:</b></p> <p>For 25 bps increase in Benchmark Rate, change in:</p> <table border="1"> <tr> <td>EPI (Rs)</td> <td>No. of EPI</td> </tr> <tr> <td></td> <td></td> </tr> </table> <p>For 25 bps decrease in Benchmark Rate, change in:</p> <table border="1"> <tr> <td>EPI (Rs)</td> <td>No. of EPI</td> </tr> <tr> <td></td> <td></td> </tr> </table>	EPI (Rs)	No. of EPI			EPI (Rs)	No. of EPI		
EPI (Rs)	No. of EPI									
EPI (Rs)	No. of EPI									
7	Total interest charged during the entire tenor of the loan (in Rupees)									
8	<b>Fees/Charges</b> , (if any) (break-up of each component to be given below) (in Rupees)	A+B+C+D								
A	Processing fees (including GST), if any (in Rupees) (One time)									
B	Insurance (including GST) (in Rupees) (One time)									
C	Legal and Valuation (including GST) (in Rupees) (One Time)									
D	Any Other charges (including GST) (if any) (in Rupees) (One time)									
9	Net disbursed amount (in Rupees)									
10	Total amount to be paid by the borrower (in Rupees)									
11	<b>Annual Percentage Rate (APR) %</b>	%								
12	Mode of Loan Payment	Mandate								
<b>Details about Contingent Charges (in ₹ or %, as applicable) **</b>										
13	Bounce Charges*** -									
14	Pre-closure charges -									
	In case of loans originally granted for a tenure of more than 7 years at Fixed Interest Rate, no pre-closure charges shall apply if the Borrower prepays the Sanctioned Loan pursuant to prepayment option offered by DMI at the end of 7 years from date of disbursement of Sanctioned Loan.									
15	Conversion Charges for switching from floating interest to fixed or vice versa -									
16	<b>OVERDUE CHARGES -</b>									
17	<b>Late Payment Penalty****-</b>									
18	Other Charges (Applicable for Alternate Modes/Non-Nach)- Up to Rs 30 + GST									
19	NACH Rejection Charges - NA									
20	NACH Swapping Charges									



21	<b>Details about Security</b>	
(a)	Name and Address of the Guarantor (if any)	Name: Address: Constitution (Individual/ Company/ Partnership/ Sole Proprietorship/ Others): Nature of Business:
(b)	Address and Description of Mortgage Property	Address of Property: Description of Property: Name of owner of Property: Type of Mortgage: Equitable Mortgage
(c)	Number and Amount of Post Date Cheques	Number: Amount:
(d)	Demand Promissory Note	Amount:
22	<b>In Case of digital loans, following specific disclosures may be furnished:</b>	
(a)	Cooling off/look-up period, in terms of DMI's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan	<b>[-] days</b>
(b)	Details of LSP acting as recovery agent and authorized to approach the borrower	
(c)	Name of LSP/Sourcing Partner/Channel providing lending related services other than recovery (i.e. sourcing, marketing etc.)	
23	Clause of Loan agreement / general terms and conditions relating to engagement of recovery agents	<b>Clause 17.2</b>
24	Clause of Loan agreement/ general terms and conditions which details grievance redressal mechanism	<b>Clause 17.6</b>
25	Whether the loan is, or in future maybe, subject to transfer to Other regulated entities or securitisation - (Yes/ No)	<b>Yes</b>
26	<b>Privacy Policy - <a href="https://www.dmifinance.in/privacy-and-security/">https://www.dmifinance.in/privacy-and-security/</a></b>	
27	<b>Phone Number and email ID of the nodal grievance redressal officer</b>	
	<b>Grievance Redressal Officer (Consumer Loans)</b> Name- Ashish Sarin Designation- Senior Vice President - Customer Success Email Address: head.services@dmifinance.in/ <a href="mailto:grievance@dmifinance.in">grievance@dmifinance.in</a> Address: Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi-110002 Contact No.: 011-41204444 <a href="https://www.dmifinance.in/fair-practice/">https://www.dmifinance.in/fair-practice/</a>	

**\*\* Contingent charges can be changed depending on policy of the company.**

**\*\*\* Bounce Charges are payable on dishonour of cheque or any Mandate for each event of dishonour**

**\*\*\*\* Late Payment Penalty is payable on each event of failure/delay to pay an EPI on its relevant Due Date by the Borrower if the Borrower does not have a registered Mandate**

**The Total Interest charged during the tenor of the loan, Processing Fees, Net disbursed amount, and Total amounts payable may change in the event the date of disbursement is later than the date of sanction/issuance of this KFS. This may also result in increase in the APR, but the APR shall be capped as per DMI's internal policy. The updated KFS shall be issued and shared with the borrower along with the welcome letter. DMI also reserves the right to cancel the loan sanction in the event any such change results in breach of DMI's internal policy guidelines.**

**Disbursement Details (Account to which Disbursement to be made)**

Registered office - Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg New Delhi-110002

Website - [www.dmifinance.in](http://www.dmifinance.in)

Customer Portal - <https://portal.dmifinance.in/>

WhatsApp - 93506 57100 (<https://bit.ly/DMIFINWA>)



Amount		Name of Bank	
Account Holder Name		Branch IFSC	
Account No.			

**Note**

For understanding DMI's approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers, please refer to DMI's Policy on Interest Rate and Charges available on <https://www.dmifinance.in/investor-relations/policies/>

**Acceptance:**

I/We (the "Borrower") confirm the receipt of this Key Fact Statement and confirm my / our acceptance and state that the Sanctioned Loan granted by DMI on the above terms will be governed by the Facility Agreement, this Key Fact Statement, the Loan Application including the annexures thereto and any documents executed by the me / us or as required by DMI in respect of the Sanctioned Loan , as amended from time to time ("Financing Documents").

I/We agree to be legally bound by the terms of the Financing Documents. I/ We understand that my / our acceptance shall constitute: (i) my / our agreement to irrevocably accept and to be unconditionally bound by all the terms and conditions set out in the Financing Documents; and (ii) the Borrower's acknowledgement and confirmation that this Key Fact Statement (along with the other Financing Documents) have been duly read and fully understood by me/us in the vernacular language or a language as understood by me/ us.

I / We also declare that I/we shall not use the Sanctioned Loan for any purpose other than the purpose permitted in this Key Fact Statement and in particular shall not use them for (a) any investments in capital markets, which includes stocks, bonds, and other financial securities (b) purchase of gold in any form , including primary gold, gold bullion, gold jewellery, gold coins, units of exchange traded funds (ETF) and units of gold mutual fund or (c) any speculative investments or speculative purpose or (d) for any activity which is illegal or prohibited by law or in respect of which the use of loan funds is restricted by law .



## Computation of APR for Loan

Sr. No.	Parameter	Details
1	Sanctioned Loan amount (in Rupees) (Serial no.3 of the KFS template - Annexure A)	20,000
2	<b>Loan Term (in months) (Serial No.5 of the KFS template - Annexure A)</b>	24
a)	No. of instalments for payment of principal, in case of non- equated periodic loans	-
b)	(i) Type of EPI (Repayment frequency of the borrower) (ii) Amount of each EMI/EPI (in Rupees) and (iii) nos. of EPIs (e.g., no. of EMIs in case of monthly instalments) (Serial No. 5A, 5B & 5C of the KFS template - Annexure A)	Monthly 970 24
c)	<b>No. of instalments for payment of capitalized interest, if any</b>	-
d)	Commencement of repayments, post sanction (Serial No. 5D of the KFS template - Annexure A)	DDMMYYYY
3	Interest rate type (Serial No. 6 of the KFS template - Annexure A)	Fixed on reducing balance basis
4	Rate of Interest (Serial No. 6 of the KFS template - Annexure A)	15 % P.A.
5	Total Interest Amount to be charged during the entire tenor of the loan as per the rate prevailing on Disbursal date (in Rupees) (Serial No. 7 of the KFS template - Annexure A)	3,274
6	Fee/ Charges payable (in Rupees)	240
A	Payable to the DMI (Serial No.8A, 8B & 8C of the KFS template- Annexure A)	240
B	Payable to third-party routed through DMI	0
7	Net disbursed amount (Serial No.3- Serial No.8 of the KFS template - Annexure A) (in Rupees)	19,600
8	Total amount to be paid by the borrower (sum of Serial No.3 and Serial Number.7 of the KFS template-Annexure A) (in Rupees)	23,274
9	Annual Percentage rate- Effective annualized interest rate (in percentage) (Serial No.11 of the KFS template-Annexure A)	17.07%
10	Schedule of disbursement as per terms and conditions	100% upfront.
11	Due date of payment of instalment and interest	05 <sup>th</sup> of every month

- The difference (if any) in repayment amount calculated from the total of instalments given under the detailed repayment schedule vis-à-vis the amount mentioned above may be due to rounding off the instalment amount under the detailed repayment schedule.
- APR is computed on net disbursed amount using IRR approach and reducing balance method.



DMI FINANCE PRIVATE LIMITED

- Charges & Deductions applicable to this Loan Facility are as mentioned in the application form and have been duly explained to me.



**Repayment Schedule under Equated Periodic Instalment for the loan**



## Facility Agreement

This Facility Agreement (“**Agreement**”) is made at the place and on the date specified in Schedule I attached hereto between **DMI Finance Private Limited**, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act 2013 and having its registered office at Express Building 3<sup>rd</sup> Floor, 9- 10 Bahadur Shah Zafar Marg, I.T.O., New Delhi - 110002 (hereinafter called “**DMI/Lender**” which expression shall, unless it be repugnant to the meaning or context thereof, mean and include its successors and assigns)

**AND**

The Person(s) whose name(s) and address(es) is /are stated in Schedule I (hereinafter to as “**Borrower(s)**” which expression shall, unless it be repugnant to the meaning or context thereof, mean and include its/their respective heirs, legal representatives, executors, administrators, successors and permitted assigns). A translated copy of this Agreement in the relevant vernacular language is available on DMI’s website and also can be made available to me/ us on demand.

The “Borrower(s)” and “DMI” are hereinafter individually referred to as “Party” and collectively referred to as “Parties”.

### 1. Definitions

1.1. In this Agreement unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings:

- a. “**Applicable Interest Rate**” means either the Fixed Interest Rate or the Floating Interest Rate as specified in the Key Facts Statement and calculated by DMI as per terms of this Agreement.
- b. “**Benchmark Rate**” means : DMI Floating Reference Rate, as determined and modified by DMI from time to time in accordance with its interest rate policy (published on DMI’s website).
- c. “**Borrower**” means the borrower details as specified in the Key Fact Statement, shall include any successors and permitted assignees (as applicable). For ease of reference, co-borrowers shall be, collectively also referred to as ‘Borrower’ herein.
- d. “**Bounce Charges**” means Mandate dishonor or bouncing charges payable by the Borrower in case of failure of payment by reason of dishonor of any standing instruction including cheque or any Mandate (in case the Mandate is registered) as mentioned in the Key Facts Statement, for each event of such dishonor;
- e. “**Business Day**” means the day on which banks are open for business in Delhi and excludes any Sunday and public holidays in such places.
- f. “**Conversion Charges**” means the fee (as set out in the Key Fact Statement) charged by DMI from the Borrower if the Borrower wants to switch from Floating Interest Rate to Fixed Interest Rate or vice versa.
- g. “**Cooling Off Period**” means the period, as specified in the relevant Key Fact Statement, and given to Borrower for exiting from disbursed Sanctioned Loan in case a Borrower decides not to continue with such Loan.



- h. **“Credit Bureau Agency”** means any RBI approved credit information companies including without limitation, TransUnion CIBIL Limited, Equifax, CRIF High Mark and Experian.
- i. **“Dues”** means all amounts payable by the Borrower(s) to DMI from time to time towards the Sanctioned Loan which includes the principal amounts payable towards the repayment of the Loan, Interest, Overdue Charges, Conversion Charges, fees, costs, reimbursement of insurance premiums, other charges and expenses payable in accordance with Financing Documents.
- j. **“Due Date”** in respect of any payment in respect of any Borrower’s Dues means the date on which any amount is due from the Borrower to DMI in respect of the Sanctioned Loan in accordance with the Financing Documents.
- k. **“Encumbrance”** shall mean any (a) charge, right of set-off or counter claim, security interest or other encumbrance, security letter or arrangement of any kind, (b) purchase or option agreement or arrangement, (c) subordination agreements or arrangement, and (d) agreements to create or affect any of the foregoing.
- l. **“EPIs”** means the equated or fixed amount of repayments, consisting of both the principal and Interest components, to be paid by the Borrower towards repayment of the Sanctioned Loan at periodic intervals for a fixed number of intervals as provided in the Key Facts Statement, which will in each case result in amortization of the Sanctioned Loan within the tenure of such Loan.
- m. **“Financing Documents”** means and includes this Agreement, along with annexures, Security Documents, Loan Application, Key Fact Statement and all other agreements, instruments, undertakings, indentures, deeds, writings and other documents executed or entered into, or to be executed or entered into, by the Borrower or as the case may be, by any other Person, in relation, or pertaining, to the transactions contemplated by, or under this Agreement and/or the other Financing Documents, as amended from time to time.
- n. **“Fixed Interest Rate”** means the fixed annualized rate of interest set out in the Key Fact Statement.
- o. **“Floating Interest Rate”** means the Benchmark Rate plus the spread as decided by DMI and set out in the Key Fact Statement.
- p. **“Guarantee”** means the guarantee (if any) given by the Guarantor (if any) to discharge the liability of the Borrower(s) under the Financing Documents.
- q. **“Guarantor”** means the Person/s who has/have given the Guarantee. The Guarantor shall always be a person/s acceptable to the DMI as a Guarantor.
- r. **“Interest”** means the interest payable, if any, on the outstanding principal amount of the Sanctioned Loan at the Applicable Interest Rate and in the manner provided in the relevant Key Fact Statement.
- s. **“Key Fact Statement”** means a statement of key facts and terms of the Loan, in simple and easy to understand language, provided by DMI to the Borrower, from time to time, in a standardized format as prescribed under applicable law, containing, apart from other necessary information, details of annual percentage rate, details of collection agency, if any, details of grievance redressal officer, Cooling Off Period, etc.
- t. **“Late Payment Penalty”** means the penal amount, as set out in the Key Facts Statement, payable by Borrower on each event of delay in the payment of the EPI(s) / Borrower’s Dues on its relevant Due Date by a Borrower who does not have a registered Mandate.
- u. **“Loan Application”** means the application in prescribed format submitted by the Borrower for the purpose of availing the Sanctioned Loan from DMI.
- v. **“Material Adverse Effect”** means any event which would have an adverse effect on (i) Borrower’s ability to pay the Borrower’s Dues; or (ii) DMI’s rights and remedies under the Financing Documents including any adverse effect on the value or realizability of Security Interest; or (iii) recoverability of the Borrower’s Dues. Any determination by DMI on whether an event should be treated Material Adverse Effect will be binding on the Borrower.
- w. **“Overdue Charges”** means the penal charges as prescribed in the relevant



**Key Fact Statement which is payable on all amounts which are not paid on their respective Due Dates. The Overdue Charges will not be capitalized by the Lender i.e., no further interest shall be computed on such Overdue Charges.**

- x. **"Person"** means, unless specifically provided otherwise, any individual (including his or her spouse, children, parents, siblings and sibling's spouse), corporation, partnership, association of persons, joint venture, society, company, trust or Government Authority or any other legal entity or instrumentality as the context may admit.
- y. **"Post Date Cheques"** or **"PDCs"** means the cheques issued by the Borrower including undated cheques towards payment of the EPI or any other Dues to DMI.
- z. **"Pre-closure Charges"** means the fees or charges levied by DMI when the Borrower chooses to pre-pay its total outstanding loan amount before the stipulated end of the loan tenor, as prescribed in the relevant Key Fact Statement.
- aa. **"Part Pre-payment Charges"** means the fees or charges levied by DMI when the Borrower chooses to pre-pay part of their outstanding principal amount before such principal becomes due, as prescribed in the relevant Key Fact Statement.
- bb. **"Privacy Policy"** means DMI's privacy policy as available at <https://www.dmifinance.in/privacy-and-security/>.
- cc. **"Property"** for the purpose of this Agreement shall mean the property(s) mortgaged in favour of DMI, details of which are provided in the Key Fact Statement, including the improvements made or occurred to it and all benefits arising out of the Property.
- dd. **"RBI"** means Reserve Bank of India established under the Reserve Bank of India Act, 1934.
- ee. **"Recovery Agent"** means any third-party or an agent appointed by the Lender to facilitate taking possession of the Property upon occurrence of an Event of Default.
- ff. **"Relevant Authority"** means the appropriate authority, from time to time, responsible for or in charge of registration of and/ or authorization for use of and/ or issuing permits/ licenses/ registration in relation to and/ or registration of any charges/ hypothecations over and/ or collection of taxes or similar levies, in relation to the Property.
- gg. **"Sanctioned Loan"** means the amount of credit facility set out in the Key Fact Statement granted by DMI to the Borrower on the terms and conditions of the Financing Documents.
- hh. **"Security Document"** means all documents entered into, or executed, delivered or deposited by any Security Provider or any other Person for the benefit of DMI for creating or effecting, perfecting and, maintaining any Security Interest in favour of DMI for securing the Dues (or any part thereof) and any other document as may be specified by DMI to be a Security Document in writing.
- ii. **"Security Interest"** includes the security set out in Clause 6.1 of this Agreement and any security interest of any kind or nature whatsoever created or to be created by the Borrower in favour of DMI as mentioned in Key Fact Statement which includes mortgage, charge, lien, or any other superior interest created upon any asset as a means for securing the repayment of Dues.
- jj. **"Security Provider"** means any Person who has created any Security Interest or executed, delivered or deposited any Security Document in favour of DMI for securing the Dues.

## 2. Loan

- 2.1. DMI agrees, based on the Borrower's request, representations, warranties, covenants and undertakings as contained herein and in other Financing Documents, to lend to the Borrower the Sanctioned Loan on the terms and conditions as fully contained in the Financing Documents.
- 2.2. DMI shall disburse the Sanctioned Loan as specified in the Key Fact Statement to the bank



account of the Borrower subject to completion of Borrower verification and checks by DMI to its satisfaction in accordance with its internal processes and in the event such verification is not satisfactory, DMI shall be entitled to cancel the Sanctioned Loan at its sole and absolute discretion. Any cancellation of the Sanctioned Loan shall be duly intimated to the Borrower.

- 2.3. The Borrower shall pay non-refundable processing charges as stated in the Key Fact Statement, along with Goods and Services tax thereon, as applicable, which may be retained/ deducted from the Sanctioned Loan disbursed but shall be deemed to have been disbursed to the Borrower and the Borrower will accordingly be liable for entire Loan. The processing fees will not be reimbursed if Borrower exercises the option to exit during the Cooling off Period.
- 2.4. The Borrower can view details of their Loan, outstanding Dues and make repayments through DMI's mobile application as well.
- 2.5. The Borrower shall be given an option to exit the disbursed Sanctioned Loan by paying the principal and the proportionate APR, without any penalty, during the Cooling off Period. For Borrower continuing with the Sanctioned Loan even after Cooling Off Period, pre-closure/ part pre-payment shall be allowed, subject to such conditions and Pre-closure Charges/ Part Pre-payment Charges, as stipulated by DMI in the Key Fact Statement.

### **3. Repayment and Interest**

- 3.1. The Borrower will repay the outstanding Sanctioned Loan along with the Interest (if any) thereon by way of EPI on each Due Date during the tenure of the Sanctioned Loan as provided in Key Fact Statement. EPIs shall be calculated by DMI as required for amortization of the Sanctioned Loan and Interest payable thereon within the specified tenure and not exceeding the maximum EPIs as provided in the Key Fact Statement. EPIs shall only be towards principal outstanding against the Sanctioned Loan and Interest thereon and does not include any Overdue Charges/Late Payment Penalty or any other charges payable by the Borrower pursuant to Financing Documents. The amount and date of the first EPI may change basis date of disbursement of the Sanctioned Loan and such revised date and amount will be intimated to the Borrower in advance of the Due Date for such payment. The Borrower acknowledges that s/he has understood the method of computation of EPI and shall not dispute the same. In any event, in case the tenor of said loan is extended for whatever reasons beyond the original tenor, the Borrower shall be liable to pay the outstanding principal amount of the Sanctioned Loan along with Overdue Charges, Bounce Charges, Late Payment Penalty and such other interest/ charges as are specified in the Key Facts Statement.
- 3.2. The Borrower shall also pay all other amounts and charges due as provided in Key Fact Statement. The Borrower's liability to DMI shall stand extinguished only when the outstanding in the loan account and all interest and charges (as per the Key Facts Statement) have become nil.
- 3.3. Pre-payment of Sanctioned Loan shall be allowed subject to such conditions and prepayment charges, as stipulated by DMI in the Key Fact Statement.
- 3.4. The payment of each EPI and all other Dues (if any) on time is the essence of the contract.
- 3.5. If the Borrower does not have a registered Mandate and the Borrower fails/delays to pay any EPI on its relevant Due Date, the Borrower shall be liable to pay the Late Payment Penalty on such failure/delay to pay EPI, as provided in the Key Facts Statement. The Late Payment Penalty is deterrent in nature and intended to compensate DMI for losses and risks arising from breach of the Borrower's payment obligations and shall not be capitalized or treated as consideration for any separate service or facility.
- 3.6. Notwithstanding anything stated elsewhere in the Financing Documents, all Borrower's Dues, including EPI, shall be payable by the Borrower to DMI as and when demanded by DMI, at its sole discretion and without requirement of any reason being assigned. The Borrower shall pay



- such amounts, without any delay or demur, within 15 (fifteen) days of such demand.
- 3.7. The Applicable Interest Rate shall be as stated in the Key Fact Statement. The Borrower acknowledges and accepts that in case of a loan with Floating Interest Rate, the Floating Interest Rate shall be linked to the Benchmark Rate plus spread and any change in the Benchmark Rate or the spread will result in a reset of the Floating Interest Rate applicable on the Sanctioned Loan on prospective basis. DMI reserves the right to review and modify the Benchmark Rate or the spread from time to time at its sole discretion.
  - 3.8. In case of reset in the applicable Floating Interest Rate (whether due to change in Benchmark Rate or spread), the Borrower would be provided with a choice to opt for either change to the number of EPIs and/or tenure of the Sanctioned Loan or a combination of both, as communicated to the Borrower. An option to prepay, part or full, without any Pre-Closure Charges shall be provided to the Borrower.
  - 3.9. In case of any change in the Benchmark Rate or spread resulting in reset of the Floating Interest Rate, the revised schedule of EPIs basis the aforesaid shall be communicated by DMI to the Borrower in writing.
  - 3.10. Further, if the Floating Interest Rate is reset as provided above, the Borrower will have the option to switch to a Fixed Interest Rate subject to payment of Conversion Charges and other terms prescribed by DMI.
  - 3.11. In case of Sanctioned Loan originally provided at Fixed Interest Rate for a tenure longer than 7 (seven) years, the Lender shall have the right to switch the Applicable Interest Rate to Floating Interest Rate at the end of 7 years from the date of disbursement of the Sanctioned Loan. 90 (ninety) days before the completion of 7 years from the date of disbursement, the Lender shall notify the Borrower in writing of the then prevailing Floating Interest Rate and applicable Conversion Charges and provide the Borrower the option to prepay the Sanctioned Loan without any prepayment charges. If the Borrower does not avail such option to prepay before the expiry of 7 years, then the Lender shall have the right to switch the Applicable Interest Rate to Floating Interest Rate.
  - 3.12. The Borrower shall bear all duties, cess and other forms of taxes whether applicable now or in the future, payable under any law at any time in respect of any payments made to DMI under the Financing Documents. The Borrower shall be liable for all amounts due and all costs, duties, levies etc. incurred by DMI in enforcing the Financing Documents or in undertaking any recovery proceedings with respect to the Loans. The Borrower acknowledges that if any stamp duty is applicable to this Agreement the Borrower shall be liable for the same. If any of the aforesaid duties, charges, taxes and costs are incurred by DMI, these shall be recoverable from the Borrower and will carry Overdue Charges from the date of payment till reimbursement. All charges paid by the Borrower(s) to DMI are non-refundable and the Borrower hereby undertakes not to claim refund, adjustment or set off any charges paid by them, from DMI under any circumstance whatsoever.
  - 3.13. **Any default by the Borrower(s) in payment of the EPIs on the Due Date or a breach of any material terms and conditions contained herein, would result in Overdue Charges being charged to the Borrower(s) at the rate mentioned in the Key Fact Statement. The same shall be without prejudice to DMI's other rights and remedies. Also, it is hereby clarified that the obligation to pay the Overdue Charges shall not entitle the Borrower(s) to claim a defense that no event of default as mentioned hereunder has occurred. The Overdue Charges will not be capitalized by the Lender i.e., no further interest shall be computed on such Overdue Charges.**
  - 3.14. Interest and any other charges shall be computed on the basis of 30/360 day convention.
  - 3.15. If the Due Date for any payment is not a Business day, the amount will be paid by Borrower on



immediately succeeding Business day.

- 3.16. The Borrower acknowledges that the Applicable Interest Rate, Overdue Charges, service charges and other charges payable and or agreed to be paid by the Borrower under Financing Documents are reasonable and acceptable to him/ her.
- 3.17. DMI shall be entitled to revise the rate of Interest / any other charges and DMI may recompute the EPI /the number of EPI for repayment of outstanding Sanctioned Loan and Interest. Any such change as intimated by DMI to Borrower, shall be applicable prospectively and will be final and binding on the Borrower. In case of such revision the Borrower shall be entitled to prepay, within 30 (thirty) days of such revision, the entire outstanding Sanctioned Loan along with accrued Interest (if applicable), without any prepayment penalty.
- 3.18. Any payments paid by the Borrower to DMI would be appropriated towards such dues in the order, namely:
  - a. Costs, charges, expenses, incidental charges, and other monies that may have been expended by DMI in connection with the Loan;
  - b. Overdue Charges;
  - c. Interest; and
  - d. Repayment of principal amount of the loan.
- 3.19. In the event that the Borrower makes any pre-payment of any amount in excess of any amounts due, then such payment shall be adjusted against the next due EPI and the balance shall be payable by the Borrower on or before the next due date of the EPI. In case, such payment exceeds the amount of next EPI then, the amount in excess of the next due EPI shall be adjusted against the outstanding principal and the repayment schedule will be revised to reduce the remaining tenor of the loan (by reducing the total number of EPI).

#### 4. NACH and PDCs

- 4.1. The Borrower shall, as required by DMI from time to time, provide electronic clearing service/ National Automated Clearing House (NACH) (Debit Clearing)/ any other electronic or other clearing mandate (collectively referred to as “Mandate”) as notified by the RBI against Borrower’s bank account for payment of dues. Such Mandate shall be drawn from such bank and from such account of the Borrower as is acceptable to DMI. The Borrower shall honor all payments without fail on Due Dates/ first presentation of the Mandate. Mandate provided by the Borrower may be utilized by DMI for realization of any Borrower’s Dues. The Borrower hereby unconditionally and irrevocably authorizes DMI to take all actions required for such realization with or without advance intimation to the Borrower. The Borrower shall promptly (and in any event within 7 (seven) days) replace the Mandate and/ or other documents executed for payment of Borrower’s Dues as may be required by DMI from time to time, at its sole discretion. In case of rejection of Mandate registration, the Borrower will also pay Mandate rejection charges as provided in the Key Fact Statement.
- 4.2. The Borrower shall also deposit with DMI the number of PDCs as stated in the Key Fact Statement. The Borrower shall promptly (and in any event within 7 (seven) days) replace the PDCs as may be required by DMI from time to time, at its sole discretion.
- 4.3. The Borrower shall, at all times maintain sufficient funds in its bank account/s against which the Mandate has been issued, for due payment of the Borrower’s Dues on respective Due Dates. Borrower shall not close the bank account/s from which the Mandate/PDCs have been issued or cancel or issue instructions to the bank or to DMI to stop or delay payment under the Mandate/PDCs and DMI is not bound to take notice of any such communication. Any such instructions shall also be treated as an Event of Default.
- 4.4. The Mandate given by the Borrower shall be valid throughout the respective date of such Mandate and the Borrower shall not claim that the Mandate or such other mandate given by the



Borrower is invalid due to any reason whatsoever. The Borrower shall promptly (and in any event within 7 (seven) days) replace the PDCs with new PDCs if the validity period of the original PDCs expires.

- 4.5. The Borrower agrees and acknowledges that the Mandate/PDCs has been issued voluntarily in discharge of the Borrower’s Dues and not by way of a security for any purpose whatsoever. The Borrower also acknowledges that dishonor of any Mandate/PDC is a criminal offence under the Negotiable Instruments Act, 1881/ The Payment and Settlements Act, 2007. The Borrower shall be liable to pay Bounce Charges for each dishonor of standing instruction including cheques or Mandates (as prescribed in Key Fact Statement).
  - 4.6. The Borrower acknowledges that such Bounce Charges are imposed by the Lender as a deterrent measure to prevent the Borrower from issuing dishonored cheques/ Mandates and is in the nature of liquidated damages for breach of this Agreement. The said Bounce Charges are intended to compensate DMI for losses and risks arising from breach of the Borrower’s payment obligations. The Borrower further agrees that the imposition of such Bounce Charges shall not prejudice or affect the Lender's right to enforce the repayment of the Loan or any part thereof, or to exercise any other right or remedy available to the Lender under this Agreement or under any applicable law.
  - 4.7. Any dispute or difference of any nature whatsoever shall not entitle the Borrower to withhold or delay payment of any EPIs or other sum and DMI shall be entitled to present the Mandate/PDCs on the Due Dates.
  - 4.8. Notwithstanding the issuance of Mandate and deposit of PDCs, the Borrower will be solely responsible for ensuring timely payment of dues.
  - 4.9. Additionally, DMI will also accept payment through cheque/ NEFT/ RTGS/other electronic modes of payment and the Borrower can choose to avail such options when required to make payment towards the Borrower’s Dues. However, the Borrower agrees and acknowledges that in the event of payment of Dues through modes other than the Mandate any additional charges for transactions shall be borne by and shall be recoverable from the Borrower.
5. **Asset classification (examples of SMA/ NPA classification dates etc.)**

**Lender notifies the Borrower that, pursuant to Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications dated November 12, 2021 issued by RBI as may be amended from time to time, DMI shall recognize incipient stress in borrower accounts, immediately on default, by classifying them as Special Mention Accounts (“SMA”) as per below mentioned basis of classification:**

“Date of overdue” means date on which Borrower accounts shall be flagged as overdue as part of the day end process.

Example: If the due date of loan account is 15-Mar-22 of the month and the full dues are not received before DMI runs the day-end process for this date, the Borrower will be classified as under -

EPI Due date	15-Mar-22	Days Past Due (DPD)	-
Date of overdue	15-Mar-22	Upto 30	SMA0
EPI remains overdue (not received till day end process)	14-Apr-22	31-60	SMA1



EPI remains overdue (not received till day end process)	14-May-22	61-90	SMA2
EPI remains overdue (not received till day end process)	13-Jun-22	91 and above	NPA

The loan accounts classified as NPAs may be upgraded as 'Standard' asset only if entire arrears of interest and principal are paid by the Borrower.

**Example:**

Particulars	Scenario 1*	Scenario 2
Loan Classification	NPA	NPA
EPI Amount	5,000	5,000
Overdue EPI	15,000	15,000
Payment Received	5,000	15,000
Balance Overdue EPI	10,000	-
Loan Classification	The Borrower will continue to be reported as NPA till the entire overdue amount is paid	Standard

\*In reference to RBI circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 dated Feb 15, 2022, the Scenario 1 (classified as NPAs may be **upgraded** as 'standard' asset only if entire arrears of interest and principal are paid) will be applicable from Oct 01, 2022.

**Note**

- i. The reporting of NPA accounts will now be done on daily basis.
- ii. In case of Borrower having more than one loan from DMI, loan accounts shall be upgraded from NPA to standard asset category only upon repayment of entire arrears of interest and principal pertaining to all the loans.
- iii. The classification of an account as an NPA can have a corresponding effect on the credit scores maintained by the credit bureaus. DMI, therefore, urges all Borrower to make their EPI payments as per the Due Date mentioned in the loan repayment schedule/ Key Fact Statement. This enables an improvement in the credit score, avoidance of penalties, and improved eligibility for a top-up loan/offer.
- iv. We encourage all the Borrower to log in to the <https://portal.dmifinance.in/> to pay the EPIs.

**6. Security**

- 6.1. The Borrower(s) covenants that the repayment of the Dues shall be secured by the creation of the following Security Interest:



- a. first, exclusive and continuous charge by way of mortgage in favour of DMI over the Property described in the Key Fact Statement
  - b. execution of a Demand Promissory Note in favour of DMI for an aggregate amount of the Sanctioned Loan and the Interest
  - c. if applicable, Guarantee from the Guarantor, as specified in the Key Fact Statement, in favour of DMI
  - d. PDCs issued by the Borrower, as specified in the Key Fact Statement; and
  - e. any such additional security as may reasonably be required by DMI from time to time.
- 6.2. The Borrower shall be required to create additional Security Interest in favour of DMI, over such other properties or assets as may be acceptable to DMI on occurrence of a Material Adverse Effect, to the satisfaction of DMI. If the Borrower fails to create such additional Security Interest, the same shall constitute an Event of Default. DMI shall be entitled to obtain a valuation of the Property from a valuer appointed by DMI. DMI shall also be entitled to cause the Borrower to obtain such valuation from such valuer as it may deem fit. The charges, costs and expenses incurred in relation to any such valuation shall be borne by the Borrower.
- 6.3. All Security (that may be created or cause to be created) including the Guarantee (if applicable) furnished by the Borrower to DMI shall remain a continuing security in favour of DMI and shall not be discharged by intermediate payments by the Borrower or any settlement of accounts by the Borrower and shall be available to DMI till all the Dues are paid and the Security Interest is expressly released by the DMI.
- 6.4. The Borrower(s) has/ shall make out a good and marketable title to the Property to the satisfaction of DMI. The Borrower confirms that the Property carries no prior lien and it is free from any Encumbrances.
- 6.5. The Security Interest shall not be affected, impaired or discharged by winding up (voluntary or otherwise), merger, amalgamation, reconstruction, takeover of the management, dissolution or nationalization of the Borrower.
- 6.6. The Borrower shall comply with all requirements for creation and perfection of the aforesaid Security Interest, including without limitation depositing the title deeds of the Property with DMI, executing the declaration evidencing deposit of title deeds, registering any charges with the Relevant Authority, including CERSAI and Ministry of Corporate Affairs (if applicable) and obtaining necessary endorsements on the insurance policy and deliver proof thereof to DMI to DMI's satisfaction. Such documents shall be delivered to DMI before or at the time of signing this Agreement.
- 6.7. The Borrower shall, whenever required by DMI, give full particulars to DMI of the Property and shall furnish and verify all statements, reports, return, certificates and information from time to time and execute all documents required by DMI to give effect to the Security Interest created on the Property in favour of DMI.
- 6.8. The Borrower undertakes that the Security Interests and all sale realizations, insurance proceeds and all documents related to the same shall always be held by it at the order of DMI and will be dealt according to the directions issued by DMI.
- 6.9. DMI shall, within 30 (thirty) days of settlement of all Dues and discharge of all obligations under



the Financing Documents, release the title deeds of the Property to the Borrower, at such office/branch of DMI as set out in the sanction letter.

## 7. Affirmative Covenants

### 7.1. The Borrower shall:

- a. observe and perform all its obligations under the Financing Documents;
- b. utilize the entire Sanctioned Loan only for the purpose stated in the Key Fact Statement and for no other purpose whatsoever, and in particular shall not use them for (i) any investments in capital markets, which includes stocks, bonds, and other financial securities (ii) purchase of gold in any form including primary gold, gold bullion, gold jewellery, gold coins, units of exchange traded funds (ETF) and units of gold mutual fund or (iii) any speculative investments or speculative purpose or (iv) for any activity which is illegal or prohibited by law or in respect of which the use of loan funds is restricted by law;
- c. The Borrower shall promptly and without requiring any notice or reminder from DMI, pay EPI in accordance with the Financing Documents;
- d. immediately deliver to DMI all documents, including bank account statements as may be required by DMI from time to time. The Borrower also authorizes DMI to communicate independently with (a) any bank where the Borrower maintains an account and to seek details and statement in respect of such account from the bank; and (b) with any supplier/ vendor/ customer of the Borrower as DMI may deem necessary, including for monitoring Borrower's creditworthiness and compliance with the Financing Documents;
- e. immediately notify DMI of any litigations or legal proceedings against any Borrower;
- f. notify DMI of any Material Adverse Effect or Event of Default;
- g. in case of Borrower which is a sole proprietorship or partnership, the sole proprietor/partner of the Borrower shall not leave India for employment or business or long term stay abroad without fully repaying the outstanding Loan, together with Interest and other dues and charges;
- h. ensure deposit of business proceeds in the account from which Mandates/PDCs have been issued to DMI;
- i. comply at all times with applicable laws, including, Prevention of Money Laundering Act, 2002;
- j. The Borrower shall maintain the Property, at its own cost in good order and condition and will take all necessary actions, improvements and maintenance thereto during the tenure of the Sanctioned Loan to ensure that the value of said Property does not diminish. The Borrower shall comply with all applicable rules, regulations, bye-laws etc of any cooperative society or association with respect to the Property and pay maintenance and other charges as may be payable in respect of the Property. The Borrower shall at all times during the continuance of this Sanctioned Loan and the Security Interest duly and punctually pay any imposts, duties and taxes which become lawfully payable by the Borrower(s) under the applicable law, in respect of the Property. Further, the Borrower(s) shall prevent any part or parts thereof, of the Property from becoming charged with payment of any such imposts, duties and taxes payable by the Borrower(s) under the applicable law and shall punctually discharge all claims and pay all the taxes, duties and imposts which by the applicable law that are lawfully payable



by the Borrower(s) and would affect the Property;

- k. The Borrower shall ensure that it has absolute, clear and marketable title to the Property and that the Property shall be absolutely unencumbered and free from any liability whatsoever;
- l. The Borrower shall, for so long as any portion of his Dues is outstanding/ payable to the DMI, fully insure, and keep the Property so insured, at its own costs, with the insurance being appropriately endorsed in the favour of or for the benefit of DMI as loss payee or beneficiary. Such insurance for the Property shall be standard comprehensive package policies covering all comprehensive risks, including but not limited to earthquake, riot, civil commotion, floods and such additional risks/ liability to which the Property is normally exposed. The Borrower shall not do anything which may limit, void or make voidable any insurance claim in respect of the Property;

In the event of any failure by the Borrower to obtain such insurance policy and/ or to furnish proof of the same to DMI, DMI may (but shall not be bound to) insure the Property at the Borrower's cost. If DMI pays the insurance premium, or any other monies, for/ towards the insurance of the Property, the Borrower shall reimburse all such sums paid by DMI. If the Borrower fails to reimburse the amount of insurance premium so paid by DMI, the same shall be deemed to be a default on the part of the Borrower and DMI may at its discretion recall the whole outstanding amount and the Borrower shall be bound to pay such sum of money as demanded by DMI. Notwithstanding the aforesaid, the primary responsibility for obtaining insurance rests with the Borrower, and the Lender is not liable for non-renewal or payment issues;

In the event of any loss or damage to the Property for any reason whatsoever, the first claim on any insurance proceeds shall be that of DMI, which proceeds shall be applied by DMI towards the Dues of the Borrower in terms hereof. Further, and in the event of any total loss/damage to the Property, if the claim amount settled by the insurance company is less than the total Dues of the Borrower outstanding and payable by the Borrower, the Borrower shall immediately pay all the balance outstanding amounts of his Dues to DMI;

DMI is irrevocably authorized and entitled at its sole discretion to act on the Borrower's behalf, at the Borrower's sole risk and cost, and to take all necessary steps, actions and proceedings as DMI deems fit to (i) adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Borrower, or (ii) to receive all monies payable under any such insurance or under any claim made there under and to give a valid receipt therefore, and apply such proceeds in accordance with the terms hereof. The Borrower shall not be entitled to raise any claim against DMI in case DMI chooses not to take any action in relation to the insurance claims or proceedings and/or on the grounds that a larger sum or amount of claims/ settlement might or ought to have been received or be entitled to dispute the liability of the Borrower for the balance amount of his dues remaining due after such adjustment;

- m. The Borrower shall promptly give written notice of the following to DMI: (i) loss or damage to the Property that may be caused to it for any reason whatsoever, (ii) any litigation or dispute between the Borrower and any other person relating to or concerning the Property, (iii) material circumstances /event likely to have Material Adverse Effect, and (iv) changes in the location/ address of office /residence /place of business or any change / closure of business of the Borrower;
- n. The Borrower shall notify and furnish details of any additions to or alterations in the Property or the usage of the Property which might be proposed to be made during the pendency of the Loan; and



- o. The Borrower agrees that DMI or any person authorized by it or any regulators shall have free access to the Property, the premises out of which the Borrower operates and the books of accounts of the Borrower for the purpose of inspection. The Borrower shall reimburse all costs and expenses incurred by DMI, its regulator(s), third parties appointed by DMI, or its regulator(s) for such purposes.

## 8. Negative Covenants

### 8.1. The Borrower shall not:

- a. pull down or remove any building or structure (except any temporary structure) on the Property or any fixtures or fittings annexed to the same or make any material alterations or additions to the Property, which is not in the ordinary course for the maintenance of the Property, without the written consent of DMI;
- b. create an Encumbrance or sell, mortgage, lease, surrender or otherwise alienate/part possession of the Property or any part thereof without prior written consent of DMI or execute a power of attorney or similar document in favour of another Person to deal with the Property;
- c. enter into any agreement or arrangement with any person for the use or occupation of the Property or any part thereof without prior written consent of DMI;
- d. do any act in respect of the Property whereby the license, permits, insurance, in respect of the Property or any part thereof are cancelled and/or invalidated and/or suspended;
- e. change usage of the Property for which it was in use at the time of loan disbursement, without prior written consent of DMI, or use the Property for any unauthorized or illegal purpose;
- f. amalgamate or merge the Property with any other adjacent Property nor create any right of way or any other easement on the Property;
- g. stand surety for anybody or guarantee the repayment of any loan or the purchase price of any asset;
- h. permit any change in the ownership or control of the Borrower whereby the effective beneficial ownership or control of the Borrower shall change in any manner whatsoever, without the prior written consent of DMI;
- i. decide or enter into any scheme of merger, amalgamation, compromise or reconstruction without the prior written consent of DMI;
- j. declare any dividend or make any distributions its members/partners if any EPI remains unpaid on its Due Date; and
- k. induct on its board of directors or equivalent management body a person whose name appears in RBI's list of willful defaulters and that in case, such a person is found to be on its Board, it would take expeditious and effective steps for removal of the person from its board.

## 9. Warranties and Representations

### 9.1. The Borrower represents and warrants to DMI as follows:

- a. All the information provided by Borrower in the Loan Application and any other document provided to DMI, whether or not relevant for the ascertaining the credit



DMI FINANCE PRIVATE LIMITED

- worthiness of the Borrower, is true and correct and not misleading in any manner;
- b. The Borrower is a duly organized and validly established as per applicable laws and is entitled to undertake its business, as declared by it under the Financing Documents;
  - c. The Borrower is capable of and entitled under all applicable laws to execute and perform the Financing Documents and the transactions thereunder;
  - d. The Borrower has the full capacity, power and authority to enter into the Financing Documents and the Financing Documents, so executed and delivered will be legally binding on the Borrower;
  - e. Neither the execution and delivery of the Financing Documents by the Borrower nor the performance or observance of any of obligations of the Borrower shall conflict with or result in any breach of law, statute, rule, order, trust, agreement or other instruments, arrangement, obligation or duty by which the Borrower are bound. The Borrower has complied and shall continue to comply with all applicable laws and has obtained all necessary licenses/ authorizations from all concerned authorities as are required under applicable laws for performance of the terms of the Financing Documents and continuing to undertake its business;
  - f. The Borrower has understood and has consented to avail the Sanctioned Loan as per the Key Fact Statement and the Financing Documents without any coercion/influence/pressure from a third party;
  - g. No event has occurred which shall prejudicially affect the interest of DMI or affect the financial conditions of Borrower or affect its liability to perform all or any of their obligations under the Financing Documents;
  - h. The Borrower has a marketable and good title to the Property on which it has created Security Interest in favour of DMI;
  - i. The provisions of the Financing Documents are effective to create in favour of DMI, in accordance with applicable law, legal, valid and enforceable Security Interest. All necessary and appropriate recordings and filings have been made/ will be made in all necessary and appropriate public offices, and all other necessary and appropriate action has been taken/ will be taken, so that the Security Interest created by each such document constitutes first priority, perfected Security Interest on all the right, title and interest;
  - j. That there are no mortgages, charges, lis pendens or liens or other Encumbrances or any rights of way, light or water or other easements or right of support on the whole or any part of the Property;
  - k. That the Borrower is not a party to any litigation and that the Borrower is not aware of any facts likely to give rise to such litigation or to material claims against the Borrower or the Security. There are no commencement of any bankruptcy or insolvency proceedings against the Borrower;
  - l. That the Borrower is not aware of any document, judgment or legal process or other charges or any latent or patent defect affecting the title of the Property or of any material defect in the Property which has remained undisclosed and/or which may affect DMI prejudicially;
  - m. The Borrower has not been included in any list of defaulters by any regulatory/statutory authority and/or banks and/or financial institutions and/or



non-banking financial companies etc.

- n. No Event of Default or Material Adverse Effect has occurred and/or is in existence or continuing; and
  - o. That the Property is not included in or affected by any of the schemes of Central/State Government or any other public body or local authority;
- 9.2. All representations and warranties of the Borrower in this Agreement shall be deemed to be repeated by the Borrower on every day from the date of this Agreement until the Dues are paid to DMI in full and the Borrower will forthwith inform DMI in the event of any representation or warranties being or becoming untrue or incorrect on any day or at any time.
- 9.3. The Borrower acknowledges that it has read DMI's Privacy Policy at <https://www.dmifinance.in/privacy-and-security/> and has given its consent to the same. The Borrower acknowledges and gives its consent to DMI to use, store and process the information provided by the Borrower or otherwise procured by DMI for the purposes of providing and monitoring the Loan, its repayment and compliance with the terms of the Financing Documents, and for DMI's business requirements and any other purposes as detailed in the Privacy Policy or for which the Borrower has provided its consent in any other manner. The Borrower understands and agrees that DMI may, subject to applicable law, disclose such information to its contractors, agents and any other third parties on a need-based basis or as provided in DMI's Privacy Policy or as may be required pursuant to any statutory/ regulatory requirement.

## 10. Events of Default

- 10.1. The following acts/events, shall each constitute an Event of Default by the Borrower for the purposes of the Loan:
- a. Any default in payment of any Dues on its Due Date ("**Financial Event of Default**");
  - b. Breach of any terms, covenants, representation, warranty, declaration or confirmation under the Financing Documents;
  - c. Any fraud or misrepresentation or misstatement or concealment of material information by Borrower which could have affected decision of DMI to grant the Loan;
  - d. Death, lunacy or any other permanent disability of the sole proprietor (if Borrower is a sole proprietorship);
  - e. Occurrence of any events, conditions or circumstances (including any change in law) which in the sole and absolute opinion of DMI could have a Material Adverse Effect, including limitation of any proceedings or action for bankruptcy/ liquidation/ insolvency of the Borrower or attachment/restraint of any of its assets or cessation of business by Borrower
  - f. Any deterioration, destruction, accident, impairment of the Property or any part thereof;
  - g. Any default in insuring or maintaining insurance of the Property on continuous basis including timely payment of the premiums;
  - h. Deletion, alteration /manipulation of the endorsement of hypothecation recorded or registrations in favour of DMI with the concerned Relevant Authority (as applicable), without prior written consent/approval of DMI
  - i. The Borrower fails to pay any tax or duty imposed or other imposition or comply with any other formalities required for the Property under the law from time to time
  - j. Failure to create or perfect the Security Interest as per terms of the Financing Documents including failure to issue or replace the Mandate/PDCs



## **11. Consequences of an Event of Default**

- 11.1. The decision of DMI as to whether or not an Event of Default has occurred shall be binding upon the Borrower.
- 11.2. Upon occurrence of any of the Events of Default and at any time thereafter, DMI shall have the right but not the obligation to stop all disbursements against the Loan, declare all sums outstanding in respect of the Loan, whether due or not, immediately repayable and upon the Borrower failing to make the said payments within 15 (fifteen) days thereof, DMI may at its sole discretion exercise any other right or remedy which may be available to DMI under any applicable law, including taking possession of any security/ Property on which Security interest has been created in favour of DMI, and/ or seeking any injunctive relief or attachment against the Borrower or its assets. Notwithstanding the aforesaid, in the event of the Borrower failing to make the payment of the Borrower's Dues within 90 (ninety) days from the Due Date of such payment, DMI shall, inter alia, have the right to classify the same as a non-performing asset (NPA) and report it accordingly to the Credit Bureau Agencies.
- 11.3. Notwithstanding anything contained in any Financing Documents, on occurrence of Event of Default, DMI may at its absolute discretion at the cost and expense of the Borrower, initiate proceedings/actions/steps for recovery of dues as necessary and/or enforce the Security Interest. Neither DMI nor the Recovery Agent shall be liable for any damage to the Property while it is in DMI's possession and any costs, expenses and claims on account of the aforesaid shall be solely to the Borrower's account. The Borrower acknowledges and agrees that DMI shall not be liable or responsible in any manner for any loss of revenue or business or any other loss arising from the taking of possession. The Borrower shall not be entitled to make any claim against DMI or Recovery Agent with respect to the aforesaid.
- 11.4. Notwithstanding anything contained in any Financing Documents, DMI may at its absolute discretion exercise all such rights and remedies as may be available to it under applicable laws.

## **12. Possession and Sale of Security**

- 12.1. In an Event of Default, without prejudice to any of the rights of DMI under any terms of this Agreement, DMI shall have the absolute and unfettered right to take possession of the Property in accordance with this Agreement and applicable law.
- 12.2. The Borrower shall be liable for all costs and expenses, including without limitation any demurrage fees, parking charges, towing costs, brokerage, legal expenses (including attorney's fees) which may be incurred by DMI in the exercise of its rights hereunder, including without limitation towards the repossession, maintenance or sale of the Security and recovery of the Dues.
- 12.3. Any amount recovered from the sale/ disposal of the Security will be appropriated in accordance with this Agreement. The Borrower shall be liable to pay any outstanding Dues remaining pursuant to such sale / realisation of the Security, without prejudice to the other rights and remedies of DMI under this Agreement or in law. Any amount recovered in excess of the Obligations (including without limitation any expenses) shall be refunded to the Borrower.

## **13. Waiver**

No delay in exercising or omission to exercise, any right, power or remedy accruing to DMI under the Financing Documents shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default. Any action or inaction of DMI in respect of any default or any acquiescence by it in any default shall not affect or impair any right, power or remedy of DMI in respect of any other default.



#### 14. Securitization and Assignment

The Borrower expressly recognizes and accepts that DMI shall, without reference to or any intimation to the Borrower, be absolutely entitled and have full power and authority, to sell, assign, securitize or transfer the Sanctioned Loan and all outstanding Dues and the rights and obligations under the Financing Documents and any Security (including Guarantee/s), in any manner, in whole or in part and on such terms as DMI may decide including reserving to DMI the power to proceed against the Borrower, additional security or Guarantor on behalf of the assignee/transferee in events of default for any amounts due by the Borrower under this Agreement. Any such sale, assignment, transfer or securitization shall bind the Borrower and in the event of such transfer, assignment or securitization, the Borrower shall perform and be liable to perform their obligation under the Financing Documents to such assignee or transferor. In such event, the Borrower shall substitute the Mandate/PDCs in favour of the transferee/assignee if called upon to do so by DMI.

The Borrower shall not be entitled directly or indirectly to sell/transfer/assign the benefits or obligation under the Financing Documents or create any third-party interest in favour of any person without the prior written permission of DMI.

#### 15. Indemnity

The Borrower(s) undertakes to indemnify and keep DMI and its directors, officers, agents, employees and assigns indemnified for any loss(es), damage(s), cost(s) arising from (i) breach by the Borrower(s) of any terms of the Financing Documents, (ii) any liability including third party liability arising out of the possession, operation, use/misuse or sale of the Security, or (iii) as a result of the Lender being party to the financing under this Agreement. The Borrower(s) undertakes to immediately pay on first demand made by DMI any amount on this account demanded by DMI without any demur, reservation, contest, protest whatsoever.

#### 16. Governing Law, Jurisdiction and Dispute Resolution

All Financing Documents shall be governed by the laws of India. The Courts at Delhi, India shall have exclusive jurisdiction (subject to the arbitration proceedings which are to be also conducted in Delhi, India) over any or all disputes arising out of the Financing Documents.

All disputes, differences and / or claims arising out of these presents or as to the construction, meaning or effect hereof or as to the right and liabilities of the parties under the Financing Documents shall be decided virtually through the online dispute resolution platform of Webnyay Private Limited or such other platform as listed on our website [<https://www.dmifinance.in/wp-content/uploads/2025/05/Arbitration.pdf>] in accordance with their arbitration rules (“Rules”). The Parties agree that the arbitration shall be before a such arbitrator(s) as appointed under the Rules and, for such purpose, the email addresses and / or mobile numbers available, provided or otherwise referenced in the agreement shall be considered. Each party shall be responsible for intimating such institution in the event of any change in its email address and / or mobile number throughout the arbitration proceedings. In the event the arbitration proceedings cannot be administered virtually in the opinion of the arbitrator(s), the proceedings shall be conducted physically. The place of arbitration shall be Delhi and proceeding shall be under fast-track procedure as laid down in Section 29(B) of the Arbitration and Conciliation Act, 1996. The awards including interim awards of the arbitration shall be final and binding on all parties concerned. The arbitrator(s) may pass the award without stating any reasons in such award.

Nothing contained in the Financing Documents shall limit or prejudice or affect the Lender’s rights, remedies and exercise thereof, including without limitation under Securitisation and



Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 or Recovery of Debts Due to Banks and Financial Institutions Act, 1993, or Insolvency and Bankruptcy Code, 2016 or through arbitrator/ tribunal/ court process and in any such case, the Lender may not follow the process under this Clause.

Further, the present clause shall survive the termination of Financing Documents.

## 17. Miscellaneous

- 17.1. The records and accounts maintained by DMI in its ordinary course of business shall be conclusive proof of the existence and the amounts of Dues outstanding under the Financing Documents and any statement of dues furnished by DMI shall be accepted by and be binding on the Borrower.
- 17.2. The Borrower expresses, recognizes and accepts that DMI shall, without prejudice to its right to perform such activities itself or through its officers or employees, be entitled and shall have full power and authority to appoint one or more third parties ("**Service Provider**") as DMI may select and to delegate to such third party all or any of its functions, rights and powers under the Loan Agreements relating to the sourcing, identity and verification of information pertaining to the Borrower, administration and monitoring of the Sanctioned Loan and to perform and execute all lawful acts, deeds, matters and things connected therewith and incidental thereto including sending notices, contacting the Borrower, receiving cash/cheques/drafts/Mandates from the Borrower. For the aforesaid purpose, DMI shall be entitled to disclose to such third parties all necessary or relevant information pertaining to the Borrower and the Sanctioned Loan and the Borrower hereby consents to such disclosure by DMI. The Service Provider can also be appointed by DMI as the Recovery Agent/ collection agent/ agency for recovering any outstanding amounts due from the Borrower / taking possession and details of such Recovery Agent/ agency / collection agent/ agency shall be provided in the Key Fact Statement or intimated to the Borrower in writing as and when changed or updated by DMI.
- 17.3. The liability of the Borrowers to repay the Sanctioned Loan together with interest, charges, costs etc. and to observe the terms and conditions of the Financing Documents, in case where more than one Borrower have jointly applied for the Loan, be joint and several.
- 17.4. The Borrower acknowledges and authorizes DMI to disclose all information and data relating to Borrower, the Loan, default if any, committed by Borrower to such third parties/ agencies as DMI may deem appropriate and necessary to disclose for exercise of its rights and remedies in respect of the Sanctioned Loan and/or as authorized by RBI, including the Credit Bureau Agency. The Borrower also acknowledges and authorizes such information to be used, processed by DMI/ third parties/ Credit Bureau Agency/ RBI as they may deem fit and in accordance with applicable laws. Further in Event of Default, DMI and such agencies shall have an unqualified right to disclose or publish the name of the Borrower/or its directors/ partners/ co-applicants, as applicable, as 'defaulters' in such manner and through such medium as DMI/ Credit Bureau Agency/RBI/ other authorized agency in their absolute discretion may think fit, including in newspapers, magazines and social media. The Borrower shall not hold DMI responsible for sharing and/or disclosing the information now or in future and also for any consequences suffered by the Borrower and/or other by reason thereof. The provisions of this clause shall survive termination of the Agreement and the repayment of the Borrower's Dues. DMI may also process any data available with DMI in such manner as it deems fit for complying with any applicable laws including undertaking any KYC/ enhanced due diligence
- 17.5. The Borrower shall execute all documents and amendments and shall co-operate with DMI as required by DMI (i) to comply with any RBI guidelines / directives or (ii) for giving DMI full benefit of rights under the Financing Documents. Without prejudice to the aforesaid the Borrower hereby irrevocably consents that on its failure to do so, such changes shall be deemed to be incorporated in the Financing Documents and shall be binding on the Borrower.
- 17.6. Any notice or request required or permitted to be given or made under this Agreement to DMI



or to the Borrower(s) shall be given in writing. Any notice to be given to the Borrower in respect of Financing Documents shall be deemed to have been validly given if served on the Borrower or sent by registered post to or left at the address of the Borrower existing or last known business or private address. Any such notice sent by registered post shall be deemed to have been received by the Borrower within 48 hours from the time of its posting. Any notice to DMI shall be deemed to have been valid only if received by DMI at its above stated address.

- 17.7. Notwithstanding any suspension or termination of any Sanctioned Loan, all right and remedies of DMI as per Financing Documents shall continue to survive until the receipt by DMI of the Borrower’s Dues in full.
- 17.8. For any grievances that the Borrower may have in relation to the Sanctioned Facility, it may contact DMI through the details mentioned in the Key Fact Statement.

*(rest of this page is intentionally left blank)*

**Schedule I**

S. No.	Particulars	Details
1.	Place of Execution	
2.	Date of Execution	
3.	Sanction Letter No. and Date	
4.	Loan Account No.	
Details of Guarantor		
5.	Name	
6.	Constitution	<input type="checkbox"/> Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt Ltd Company <input type="checkbox"/> LLP <input type="checkbox"/> Individual <input type="checkbox"/> Others (Pls Specify)
7.	Address	
Details of Borrower(s)		
Borrower		
8.	Name	
9.	Constitution	<input type="checkbox"/> Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt Ltd Company <input type="checkbox"/> LLP <input type="checkbox"/> Individual <input type="checkbox"/> Others (Pls Specify)
10.	Address	
Co-borrower 1		
11.	Name	
12.	Constitution	<input type="checkbox"/> Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt Ltd Company <input type="checkbox"/> LLP <input type="checkbox"/> Individual <input type="checkbox"/> Others (Pls Specify)
13.	Address	
Co-borrower 2		
14.	Name	
15.	Constitution	<input type="checkbox"/> Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt Ltd Company <input type="checkbox"/> LLP <input type="checkbox"/> Individual <input type="checkbox"/> Others (Pls Specify)
16.	Address	



**DEMAND PROMISSORY NOTE**

ON DEMAND I/We \_\_\_\_\_ unconditionally promise to pay **DMI Finance Private Limited**, a company incorporated under the Companies Act, 1956 and validly existing under Companies Act, 2013, registered as an NBFC with Reserve Bank of India, having its registered office at Express Building, Third floor, 9-10, Bahadur Shah Zafar Marg, New Delhi – 110 002 (hereinafter referred to as “**DMI**”), or their assigns or its successors ON DEMAND, a sum of INR \_\_\_\_\_, with interest at the rate of \_\_\_\_\_% (per cent) per annum, or at a rate which may from time to time be assigned/fixed by DMI as per the Financing Documents, together with Overdue Charges, costs, expenses and charges due and payable by the Borrower(s) to DMI.

The undersigned hereby unconditionally and irrevocably waive demand, presentment, noting and protest of this note.

Where there is more than one signatory hereto, the liability of each signatory is joint and several with others. In the case of the signatory being a partner of a partnership firm, all other partners of such firm are also jointly and severally liable.

Revenue Stamp

For Borrower

\_\_\_\_\_

Name:

Place:

Date:



For Co-Borrower 1

---

Name:

Place:

Date:

For Co-Borrower 2

---

Name:

Place:

Date



**DISBURSAL REQUEST FORM**

**Date:**

**To,**

**DMI Finance Private Limited**

**Express Building, Third Floor**

**9-10, Bahadur Shah Zafar Marg**

**New Delhi – 110002**

**Sub: Request for disbursement of loan facility sanctioned by Sanction Letter dated \_\_\_\_\_**

**Ref: Loan application number \_\_\_\_\_**

**Dear Sir/Madam,**

This is with reference to my/our facility sanctioned by you. We request you to disburse the loan amount in the following manner:

Name of Account Holder:

Bank Name:

Account Number:

Account Type:

Branch:

IFSC:

Amount:

I/we hereby declare that,



1. I/we shall be responsible and liable for the disbursement as requested above and the same shall be treated as the Loan disbursed under the Financing Documents signed/accepted by me and will be governed by the terms of such Financing Documents.
2. Interest shall be calculated as stated in the Financing Documents.
3. Interest shall be payable by me/us even if the amount disbursed is not utilized by me/us.

Signature of Borrower

Name:

Designation (if applicable):

Signature of Co-borrower 1

Name:

Designation (if applicable):

Signature of Co-borrower 2

Name:

Designation (if applicable):