

### **MITC (Most Important Terms and Conditions)**

The Most Important Terms and Conditions (MITC) of the Micro Loan as mentioned below are agreed upon by the Borrower(s) and the Guarantor(s) and are to be read and understood in conjunction with the terms hereinabove, as mentioned in the Joint Liability Group Declaration and other documents pertaining to the loan.

1. The Borrowers should utilize the loan only for the income generation purpose. In case of any misutilisation of the loan or handing/transfer of the loan amount to any other person, the borrower/ guarantors cannot disclaim the loan and it will be the sole liability of the Borrower/ all the guarantors to repay the loan as per schedule.
2. This loan is classified as "Qualifying Asset". The borrower cannot be a member of more than one SHG / JLG with Centrum Microcredit Limited,
3. FEES AND OTHER CHARGES: Pricing of loan involves only three components viz; interest charge, processing charge and insurance premium (which includes administrative charges in respect thereof). No security deposit/ margin/ other charges are collected from the customer by us or through third parties.
  - PRE-CLOSURE CHARGES: No pre-payment/pre-closure penalty will be levied for the time being. The same is subject to change as per the RBI guidelines. PENAL INTEREST: NIL\_\*\* INSURANCE PREMIUM: As per customer request\_ OTHER FEE/CHARGES: As may be communicated, from time to time.
  - Processing fees is non-refundable.
  - Insurance Premium is non-refundable, one-time premium amount. The Borrower(s) is/ are aware that the insurance cover is optional. The Borrower is advised to go through the Insurance policy document in case insurance is availed.
4. Centrum Microcredit Limited ("The Company") shall provide a moratorium for loan repayment equivalent to the period of one instalment.
5. The Company shall ensure that changes in interest rates and other charges are effected only prospectively.
6. REPAYMENT: The loan is to be repaid as per the Loan Instalment Schedule as mentioned hereinabove. The liability of the Borrower (s) towards the Company shall be extinguished only when the outstanding in the loan account of the Borrower(s) becomes Nil including payment of residual amount, if any.
7. RENEWAL/ENHANCEMENT/RESCHEDULE: The Company may at its sole and absolute discretion reschedule/renew/ enhance the limit of the loan granted to the Borrower(s).
8. APPOINTMENT OF THIRD PARTIES: The Company shall without prejudice to its rights to perform such activities itself or through its officers or employees, be entitled and have full power and authority to appoint one or more third parties as the Company may select or otherwise assign and to delegate to such third party all or any of the functions, rights, powers relating to administration of the loan including the right and authority to collect and receive on behalf of the Company from the Borrower(s).
9. LOAN RECALL: The Company reserves the right to discontinue the loan availed by the Borrower (s) and to withhold /stop any disbursement without giving any notice to the Borrower(s) in case of any non-compliance/breach of terms and conditions stipulated herein as well as stated in the Micro Loan Application Form and Group Declaration and other documents from time to time or if any information/particulars shall materially affect the repayment capacity of the Borrower(s).
10. BRIEF PROCEDURE TO BE FOLLOWED FOR RECOVERY OF OVERDUE: In the Event of default i.e. if the amount due is not paid by due date, the Borrower(s) will be sent reminders from time to time for payment of any outstanding on her loan account, by post, fax telephone, 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 RBI guidelines and the code of conduct on debt collection.
11. ASSIGNMENT: The Borrower(s) expressly recognizes and accepts that the Company shall be absolutely entitled and have full power and authority to sell, assign, securitize or transfer in any manner, in whole or in part, and in such manner and on such terms as the Company may decide, (including reserving a right to the Company to retain its power hereunder to proceed against the Borrower(s)) on behalf of the borrower.
12. The Borrower(s) are warned beforehand that taking of loan from multiple sources or more than required may lead to financial distress. The Borrower(s) should not take loan from more than two MFI/Financial institutions. The total loan liability of all the family members in the household should not exceed Rs. 1,25,000/-.
13. Grant of loan is not linked to any other product /services offered by the company or third party. The Company shall ensure that the privacy of borrower data shall be respected.
14. GOVERNING LAW & JURISDICTION: The laws of India shall govern this MITC, and any other related documentation pursuant to the Micro Loan being availed by the Borrower(s) and Courts in Mumbai shall have the exclusive jurisdiction over all aspects governing the interpretation and enforcement of this MITC and other related documentation
15. ARBITRATION: All disputes, differences and / or claim or questions arising out of these presents or in any way touching or concerning the Micro Loan availed by the Borrower(s) or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the Borrower(s) and the Company shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Company, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Company may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The seat of the arbitration proceedings shall be at Mumbai.
16. The terms and conditions pertaining to the loan may be amended or modified by the Company at its discretion from time to time.
17. CML is committed to transparency and fair lending practices. The Company shall at all times ensure timely grievance redressal. The employees of the Company dealing with the Borrowers are strictly prohibited to use any unethical behavior, language or force of any type."
18. The MITC/ above terms and conditions have been read by the Borrower(s) and the Guarantor(s) / read over to the Borrower(s) and the Guarantor(s) by the Authorized official of the Company and have been understood by the Borrower(s) and the Guarantor. Please acknowledge receipt and return the original copy of this document duly signed by the Borrowers and Guarantor(s) in token of having accepted forgoing terms and conditions pertaining to the loan and retain a duplicate copy of the same for your future reference.

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**Signature / Thumb Impression of the Borrower(s)**

1 \_\_\_\_\_  
Date: \_\_\_\_/\_\_\_\_/\_\_\_\_\_  
Place: \_\_\_\_\_