

GTC



Regd. Office: 9th Floor, Anriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi - 110001



GENERAL TERMS AND CONDITIONS

These General Terms and Conditions (“**GTC**”)* shall govern the Loan to be provided to and in favour of the Borrower(s) by **PNB HOUSING FINANCE LIMITED (“PNBHFL”)** and shall form an integral part of the Loan Documents (*defined below*) pursuant to which the Loan is disbursed.

ARTICLE: 1

DEFINITIONS AND INTERPRETATIONS

1.1 In this GTC, unless the context otherwise requires

- (a) **“Amounts Due”** means and includes Outstanding Amount, collection charges, delayed interest, annual fees, if any, and where the context requires, costs and expenses arising pursuant to the grant of Loan, or any other amount paid or payable by a Borrower(s) under the provisions of the Loan Documents or as reflected in the books and records maintained by PNBHFL in the normal course of business;
- (b) **“Assets”** means and includes the Property/ies, all other properties whatsoever, both present and future, (whether tangible, intangible or otherwise), investments, cash-flows, revenues, rights, benefits, interests and title of every description;
- (c) **“Availability Period”** means the reasonable period from the date of execution of the Disbursement Letter during which the Borrower(s) shall be allowed by PNBHFL to make drawdown, to be decided by PNBHFL at its sole discretion;
- (d) **“Borrower(s)”** means and includes the Person(s) named in the Disbursement Letter along with his/her/their address(s), unless it be repugnant to the subject or as the context may permit or require, includes,
 - (i) in case of one or more individual(s) each one being deemed to have agreed to the terms of this GTC individually and all of them having agreed to liabilities hereunder jointly and severally and shall include his/her/their respective heirs, legal representatives, executors, administrators and permitted assigns.
 - (ii) in case of a sole proprietorship concern, the proprietor / proprietress (both in his/her personal capacity and as proprietor, proprietress of the concern) and his/her/their respective heirs, legal representatives, executors, administrators, legal representatives, successors and permitted assigns.
 - (iii) in case of partnership firm within the meaning of the Indian Partnership Act, 1932, the said firm together with each of the partners and survivor(s) of them and the partners from time to time (both in their personal capacity and as partners of the firm) and their respective heirs, legal representatives, executors, administrators, legal representatives, successors and permitted assigns.
 - (iv) in case of a limited (private as well as public) company incorporated and registered under the applicable provisions of the Companies Act, 1956/2013, as the case may be, such company and its successors, administrators and permitted assigns.
 - (v) in case of a society registered under the Societies Registration Act, 1860, co-operative society or any other Law for the time being in force, its successors, administrators and permitted assigns.
 - (vi) in case of a limited liability partnership incorporated and registered under the provisions of the Limited Liability Partnership Act, 2008, its successors, administrators and permitted assigns.
 - (vii) in case of a Hindu Undivided Family (**“HUF”**), the Karta of the such HUF and any or each of the adult members/ coparceners of the joint HUF and the survivor(s) of



them and his/her/their respective heirs, legal representatives, executors, administrators and permitted assigns, successors, and

- (viii) in case of a trust registered under the Indian Trusts Act, 1882, the survivors or survivor of them and the heirs, executors and administrators of the last survivor and the trust / trustee(s) for the time being of these presents, their/his/her successors and permitted assigns.

The expression “Borrower(s)” shall mean and include co-Borrower(s), as the subject or context may permit or require.

- (e) **“Broken Period”** means the actual number of days commencing from the day of disbursal of the Loan Amount till one day prior to the commencement of the Due Date opted by the Borrower(s) and shall also include the actual number of days commencing from the Due Date till the date on which the Loan is prepaid prior to the next Due Date;
- (f) **“Business Day”** means any day on which the office of PNBHFL is open for business;
- (g) **“CERSAI”** means the Central Registry of Securitization Asset Reconstruction and Security Interest of India constituted under section 20 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- (h) **“CIBIL”** means Credit Information Bureau (India) Limited;
- (i) **“Conditions Precedent”** means the pre-Disbursement conditions of the Loan, as specified in Article 4 of this GTC, in addition to any such condition specified in the Sanction Letter and Disbursement Letter duly accepted by the Borrower(s);
- (j) **“Construction”** shall be deemed to include any new construction, repair, renovations, improvement, extension and alterations etc. of the Property, as the case may be;
- (k) **“Disbursement”** shall have the meaning ascribed to it in Article 2.6.1 of this GTC. The terms “Disbursed”, “Disbursing”, “Disbursal” shall have the corresponding meaning;
- (l) **“Disbursement Letter”** means the letter issued by PNBHFL stating the agreed commercial and other terms and conditions applicable to Disbursement of the Loan to the Borrower(s) along with the relevant particulars mentioned in the same;
- (m) **“Due Date(s)”** means the date(s) on which the Amounts Due or any other monies, becomes due and payable, as specified in the Loan Documents or any other transaction documents in connection with the Loan;
- (n) **“Designated Account”** means the account including the details such as the name of the bank, account number, etc. to be informed by the Borrower(s) to PNBHFL in writing for the purpose of credit of Disbursal of the Loan
- (o) **“Designated Representative”** means the authorized representative of the Borrower(s) as informed to PNBHFL in writing;
- (p) **“Electronic Clearing Services”** hereinafter referred to as **“ECS”**, shall be deemed to include transfer of funds electronically, either through a message for transfer of funds sent electronically or through image of instrument of transfer of funds sent electronically or through an electronic file containing the details of the funds transfer sent by electronic media or payment through an electronic cheque or where funds are transferred through various types of plastic cards or such other debit clearing service notified by RBI, participation in which has been consented to in writing by the Borrower(s) for facilitating primarily the payment of EMI/PEMII, however, it may also include any other payment to be made under the Loan Documents;
- (q) **“Encumbrance”** shall mean any mortgage, pledge, hypothecation, lien, encumbrance, infringement, interference, option, right interest, charge (whether fixed or floating), commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer or exercise of any other attribute of ownership, right to set-off



- or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same or any other adverse claim of any kind whatsoever;
- (r) **“Effective Date”** shall mean the date of execution of the Disbursement Letter by all the Parties hereto;
- (s) **“Equated Monthly Installment”** or **“EMI”** means the amount rounded off to the next rupee as set out in the Disbursement Letter payable by the Borrower(s) to PNBHFL on respective Due Dates, which is necessary to repay all Amounts Due, during the Repayment period of the Loan;
- (t) **“Escrow Account”** means an account to be established and maintained by the Borrower(s) with an escrow agent in the name of the Borrower(s) in which all the Receivables shall be deposited;
- (u) **“Event of Default”** means any of the events described or referred to in Article 7 of this GTC;
- (v) **“Financial Year”** means the financial year commencing on 1st April of a calendar year and ending on 31st March in the immediately succeeding calendar year;
- (w) **“Fixed Rate of Interest”** means the fixed rate of interest applicable to the Loan, as set out in the Sanction Letter and Disbursement Letter;
- (x) **“Floating Rate of Interest”** means the PNBHFR (+____%) or (-____%) Margin, where Margin remains constant and PNBHFR is variable unless an agreement to the contrary exists or a request letter of the Borrower(s) is/ are received by PNBHFL;
- (y) **Foreign Exchange and Management Act, 1999 (“FEMA”)** means the Foreign Exchange Management Act, 1999 and the various regulations and amendments made thereunder;
- (z) **General Terms and Conditions”** or **“GTC”** means and includes the terms and conditions contained herein, governing the sanction and Disbursement of the Loan and any written amendments and modifications hereof that may become applicable from time to time;
- (aa) **“Government”** or **“Government Authority”** means and includes the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the Government of India and/or Government of any State in India, any government authority, statutory authority, government department, quasi-judicial agency, quasi-judicial commission, quasi-judicial board, quasi-judicial tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof, any local or other authority exercising powers conferred by Law, and shall include, without limitation, the RBI;
- (bb) **“Guarantor”** means and includes any Person(s) who has agreed or extended the guarantee for the Repayment of the Amounts Due by the Borrower(s) to PNBHFL;
- (cc) **“Interest”** means the interest that is chargeable on the Outstanding Amount at the rate mentioned in the Disbursement Letter as modified by PNBHFL from time to time, and as more specifically stated under Article 2.4 of this GTC;
- (dd) **“Law”** shall include all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye- laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government and, if applicable, international treaties and regulations;
- (ee) **“Loan”** means the loan granted/agreed to be granted by PNBHFL to the Borrower(s) to be governed by the terms and conditions stated under the Loan Documents;
- (ff) **“Loan Amount”** means the amount PNBHFL agrees to provide for the Purpose mentioned under the Loan Documents;
- (gg) **“LoanAccount”** means the account maintained by PNBHFL which records the balance/ amount owed by the Borrower(s);



- (hh) **“Loan Application”** means and includes the application form duly filled, signed and submitted by the Borrower(s), together with all related forms, documents and consents as mentioned by PNBHFL in the Sanction Letter, Disbursement Letter and GTC for the purpose of availing a Loan from PNBHFL, in the form and manner satisfactory to PNBHFL;
- (ii) **“Loan Documents”** means and includes the Loan Application, security documents, pledge, undertakings, indemnity, supplementary agreements including modifications, alterations, addenda, attachments and schedules executed / to be executed between the Parties, as amended from time to time during the Repayment Term, and shall be read as part hereof and shall also include the Sanction Letter, Disbursement Letter, MITC, this GTC and the schedules annexed thereto and such other documents incidental hereto or contemplated hereby on which PNBHFL has relied to extend the Loan to the Borrower(s);
- (jj) **“Repayment Term”** means the period as stated in the Disbursement Letter or the period as revised/increased by PNBHFL, from time to time at its sole discretion, keeping in mind the increase in PNBHFR or any revision/increase in the time period to complete the Construction of the Property or any other reason as PNBHFL may deem fit;
- (kk) **“Reset Frequency”** shall mean a minimum period to be determined by PNBHFL after which change in PNBHFR can be effected;
- (ll) **“Reset Date”** shall mean the Due Date of the month following the Due Date immediately falling after the change is effected in PNBHFR;
- (mm) **“Margin”** means the percentage points subtracted / added to PNBHFR to arrive at the applicable rate of Interest, to be decided by PNBHFL at its sole discretion;
- (nn) **“MITC”** means a document prepared in accordance with the circular issued by NHB containing the most important terms and conditions to be provided to the Borrower(s) in addition to the Sanction Letter, Disbursement Letter, GTC and other Security related documents;
- (oo) **“NHB”** means the National Housing Bank;
- (pp) **Non-Resident Indian(“NRI”)** unless otherwise defined or meaning thereof is amended, NRI shall mean a Person who is a Non -Resident Indian in terms of the Regulations (defined hereinafter) and shall include PIO;
- (qq) **“Outstanding Amount”** means and includes the Loan Amount outstanding in the Loan Account, as also Interest, Overdue Charges, Prepayment charges, if any, PEMII, EMI and/or Other Charges, etc., as applicable, due thereon;
- (rr) **“Other Charges”** means and includes insurance premium, levies, cheque bouncing charges, incidental and other charges/fees and other administrative expenses, any Tax levied by/ payable to any Governmental Authority and other dues debited to the Loan Account or payable by the Borrower(s) from time to time. It shall also include the expenses incurred by PNBHFL in recovering its dues, besides any out of pocket expenses;
- (ss) **“Overdue Charges”** means and includes the interest payable, to be calculated every month at the rate specified by PNBHFL, at its sole discretion, in respect of the events stated in 2.9.2 and 3.6(b), or any other provision providing for the charge of Overdue Charges, as the case may be. For the purpose of the event stated in Article 2.9.2, the Overdue Charges shall be calculated from the date of occurrence of Event of Default (as mentioned in Article 7.1 below) till the date of payment of such defaulted amount and such Overdue Charges shall be charged over and above the Interest;
- (tt) **“Person Resident Outside India”** means a person who is not resident in India;
- (uu) **“Person Resident in India”** unless otherwise provided under the Regulations amended from time to time means (i) a person residing in India for more than one hundred and eighty-two days during the course of the preceding financial year but does not include-
- (A) a person who has gone out of India or who stays outside India, in either case-
- (a) for or on taking up employment outside India, or



- (b) for carrying on outside India a business or vocation outside India, or
- (c) for any other purpose, in such circumstances as would indicate his intention to stay outside India for an uncertain period;
- (B) a person who has come to or stays in India, in either case, otherwise than-
 - (a) for or on taking up employment in India, or
 - (b) for carrying on in India a business or vocation in India,
or
 - (c) (i) for any other purpose, in such circumstances as would indicate his intention to stay in India for an uncertain period;
 - (ii) any person or body corporate registered or incorporated in India,
 - (iii) an office, branch or agency in India owned or controlled by a person resident outside India,
 - (iv) an office, branch or agency outside India owned or controlled by a person resident in India;
- (vv) **“Person of Indian Origin” (“PIO”)** unless otherwise provided under the Regulations amended from time to time means the Citizen of any country other than Bangladesh or Pakistan, if:
 - (i) he at any time held Indian Passport; or
 - (ii) he or either of his parents or any of his grandparents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955(57 of 1955); or
 - (iii) the person is a spouse of an India Citizen or a person referred to in sub-clause (i) or (ii) above;
- (ww) **“PNBHFL”** means PNB Housing Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 9th Floor, Antriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi, or such other branch office of PNB Housing Finance Limited, through which it may be acting;
- (xx) **“PNBHFR”** means the rate of interest as on Reset Date based on the Reset Frequency as decided by PNBHFL from time to time based on the customer and product type, prevailing market conditions and guidelines of any statutory authority and/or as per the internal policy of PNBHFL and any change in PNBHFR shall be notified by PNBHFL through its website or account statements or its branches or such other medium as PNBHFL may consider appropriate. PNBHFL may have different PNBHFR based on the category of the customer and the product type;
- (yy) **“Party”** shall mean individually the Borrower(s) or PNBHFL, and the term “Parties” shall mean collectively the Borrower(s) and PNBHFL, as the context may require, who are parties to this GTC;
- (zz) **“Person(s)”** means and includes any individual(s), sole proprietorship, body corporate, corporation, company, society, partnership, unlimited or limited liability company, limited liability partnership, joint venture, unincorporated organizations, HUF, Government Authority, trust or any agency or thereof or any other entity that may be treated as person under Law and shall include their respective successors and assigns and in case of an individual(s) shall include his/her/their legal heirs, representatives, administrators and executors;
- (aaa) **“Pre Equated Monthly Installment Interest” or “PEMII”** means Interest levied on the Loan Amount to be payable on monthly basis on the Disbursement (s) made calculated from the first Due Date to the previous day of the Due Date of the month immediately prior to the month of commencement of the first EMI; such PEMII shall be subject to be rounded off to the next Rupee;
- (bbb) **“Prepayment”** means premature Repayment of the Loan or part thereof and any other



charges or dues payable by the Borrower(s) under the Loan Documents as per the terms and conditions laid down by PNBHFL in this regard and in force at the time of Prepayment;

- (ccc) **“Principal Amount”** means the Loan Amount originally granted/agreed to be granted by PNBHFL to the Borrower, together with any Interest, thereon;
- (ddd) **“Property”** includes a plot of land, residential house/commercial immovable property, flat/apartment (the entire built-up area and any additions thereto, the proportionate share in the common areas/easement/privileges/development rights/benefits/fixture and fitting/building and structure, present and future, all tangible and/or intangible properties, all accretions, additions, accessories, fixture and fitting, buildings, structures, constructed/erected in such building/on such plot in which such flat/unit is/will be situated and the proportionate undivided share in the land on which the said building is situated or is being/will be built), or any other residential/non-residential/commercial/any other immovable property, either owned by the Borrower(s)/Security Provider jointly or individually, to be charged with PNBHFL or against the security of which the Loan is granted by PNBHFL in terms of the Loan Documents or any other dwelling unit of any size and type with appurtenances thereto having an independent access and shall include a farm house or a temporary or a semi-permanent structure of a plot of land with building or other structure constructed or to be constructed;
- (eee) **“Purpose”** means the lawful purpose for which the Loan shall be granted/agreed to be granted and shall include, *inter alia*, the purpose described in the Disbursement Letter;
- (fff) **“Post Dated Cheques”** **“PDCs”** means the cheques issued by the Borrower(s) as per the terms of the Disbursement Letter for Repayment of the Amounts Due payable for the discharge of the obligations of the Borrower(s);
- (ggg) **“RBI”** means the Reserve Bank of India;
- (hhh) **“Regulations”** means the FEMA and Regulations issued by the RBI under FEMA namely Foreign Exchange Management (Acquisition and transfer of immovable property in India) Regulations, 2000 and Foreign Exchange Management (Borrowing and Lending in Rupees) Regulations, 2000, Foreign Exchange Management (Deposit) Regulations, 2000 including all the amendments made thereto and thereunder;
- (iii) **“Receivables”** means all or any money(ies) accruing or arising out of the Property/any other property or any other fee / money(ies) receivables emanating out of the property, present or future, which *inter-alia* includes rent, sale proceeds, lease rent, receivables, income etc. to be received from the tenant/ lessee/licensee/occupants/purchase of the Property by the Borrower(s), tendered as Security. Receivables shall also mean and include any money (ies) arising out of any arrangement with respect to the Property;
- (jjj) **“Repayment”** means the repayment of the Amounts Due or dues payable by the Borrower(s) under the Loan Documents and shall mean in particular the amortization provided for in Article 2.8 of this GTC;
- (kkk) **“Repayment Schedule”** means the Repayment of the Amounts Due to be made pursuant to and in accordance with the Due Dates as mentioned in the Disbursement Letter;
- (lll) **“Sanction Letter”** means the letter issued by PNBHFL, sanctioning the Loan to the Borrower(s) along with the relevant particulars, terms and conditions mentioned in the same pursuant to which the Disbursement Letter may be issued;
- (mmm) **“Schedule of Charges”** means the Schedule of fees, rates and Other Charges applicable for availing services after sanction/disbursement of Loan and the same is subject to alteration from time to time as decided by PNBHFL as per its internal policy and any such alteration shall be notified by PNBHFL through its website or its branches or such other medium as PNBHFL may consider appropriate;
- (nnn) **“Security”** includes the right, title and interest of any kind upon the property (tangible/intangible, movable or immovable), in favour of PNBHFL, created by way of security interest as acceptable to PNBHFL including by way of deed of hypothecation, memorandum entry



for creating equitable mortgage along with declaration, escrow agreement, guarantee, charge on fixed deposit(s), insurance policies, bonds, investments, deed of pledge, letter of lien and set off, etc., or any other document required by PNBHFL in relation to creation of Security specified under Article 3 of this GTC;

- (ooo) **“Security Cover”** means the security cover to be maintained at all times in terms of the value of the Property with respect to the Outstanding Amount as more specifically mentioned in the Disbursement Letter;
- (ppp) **“Security Provider”** means the Person who creates Security in the Property in favour of PNBHFL to secure the Repayment obligations of the Borrower(s) including the Repayment of the Amounts Due. The term Security Provider shall, wherever applicable, include the Guarantor, for the purposes of the Loan Documents;
- (qqq) **“Seller”** means and include any Person(s) who is / are the sole / joint owners of the Property, or who are the holders of power of attorney, authorized to sell the Property on behalf of the owners of the Property to the Borrower(s) and shall be deemed to include any vendor, co-operative group housing society, sole proprietorship concern, partnership firm or company, engaged in the business of construction or carrying out repairs, renovations or extensions of property on contract basis;
- (rrr) **“Small Place”** means the places which are governed by municipalities, statutory bodies or local authorities other than municipal corporations;
- (sss) **“Tax”** or **“Taxation”** shall mean income tax, service tax, sales tax, customs and excise, value added tax and all other forms of direct and indirect tax levied and/or to be levied by a Government Authority (including without limitations, obligations to withhold tax/deduct tax at source), together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in India.

1.2 Interpretation

- (a) references to statutes or statutory provisions include references to any orders or regulations made thereunder and references to any statute, provision, enactment, ordinance, order or regulation or other similar instrument shall be construed to include a reference to the statute, provision, enactment, ordinance, order, regulation or instrument as amended, modified, re-enacted or replaced from time to time whether before or after the date hereof (subject as otherwise expressly provided herein) and to any previous statute, statutory provision, order, regulation or instruments made pursuant to it;
- (b) headings to Articles and paragraphs are for information only and shall not form part of the operative provisions of this GTC and shall be ignored in construing the same;
- (c) the words “including” and “include” shall be deemed to be followed by the words “without limitation” or “but not limited to” whether or not those words are followed by such phrases or words of like import;
- (d) references to the singular number/form shall include references to the plural number/form and vice versa;
- (e) words denoting one gender shall include all genders;
- (f) references to this GTC or any other document shall be construed as references to this GTC or that other document as amended, varied, supplemented or replaced from time to time;
- (g) any references to sections, articles and clauses are to sections, articles and clauses to this GTC. Any references to parts or paragraphs are, unless otherwise stated, references to parts or paragraphs in which the reference appears. All of these form part of the operative provisions of this GTC;
- (h) the expression “this Article” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Article (not merely the sub Article, paragraph or other provision) in which the expression occurs;



- (i) each warranty provided in this GTC is independent of each of the other warranties, and unless the contrary is expressly stated, no clause in this GTC limits the extent or application of another clause;
- (j) any reference to books, files, records or other information or any of them means books, files, records or other information or any of them in any form or in whatever medium held including paper, electronically stored data, magnetic media, film and microfilm;
- (k) "in writing" includes any communication made by letter or facsimile or email or any other recorded telephonic conversation;
- (l) unless otherwise specified, any reference to a time of day is to India time;
- (m) all duties, liabilities and obligations of the Borrower(s) shall be joint and several;
- (n) references to body corporates shall include unincorporated bodies and vice versa;
- (o) reference to a clause(s) / sub - clause(s) is/are to be construed to be reference to the clause(s)/sub-clause(s) of the Loan Documents;
- (p) references made to the provisions of the Companies Act, 1956 in this GTC shall be read as the references to the relevant corresponding provisions of the Companies Act, 2013, as and when such relevant corresponding provisions of the Companies Act, 2013 come into effect;
- (q) the terms of this GTC shall at all times be read conjunctively with the terms of the Sanction Letter and Disbursement Letter;
- (r) Each of the GTC, Sanction letter and Disbursement Letter shall be governed by the terms thereof, as stated in those respective documents, however, in case there is any inconsistency between any of the provisions of:
 - (i) Sanction Letter and Disbursement Letter, the Disbursement Letter shall prevail; and
 - (ii) GTC with those contained in the Sanction Letter and the Disbursement Letter, the provisions of the Disbursement Letter shall prevail, to the extent of such inconsistency;
- (s) All capitalized terms used, but not defined in the Sanction Letter and Disbursement Letter shall have the meaning as ascribed to such terms in this GTC; and
- (t) terms defined elsewhere in this GTC shall, unless inconsistent with the context or meaning thereof, bear the same meaning as defined throughout this GTC.

ARTICLE: 2

LOAN, INTEREST, ETC.

2.1 Loan

PNBHFL hereby agrees to grant to the Borrower(s) and the Borrower(s) hereby agrees to avail the Loan from PNBHFL in the manner and on the terms and conditions as mentioned in the Loan Documents.

2.2 Purpose of Loan

The Borrower(s) has expressly desired to avail the Loan for the Purpose mentioned in the Loan Application/Disbursement Letter. The Borrower(s) agrees, confirms and undertakes to use the Loan Amount only for the Purpose set out in the Loan Application/Disbursement Letter, or as otherwise approved in writing by PNBHFL, upon application by the Borrower(s). The Loan must not be used for any illegal purposes or immoral activities, stock market transactions, gambling, chit fund, lottery, races or any other activities specified under any Law or by PNBHFL as restricted activity.



2.3 **Term**

The Repayment Term will be specified in the Disbursement Letter and may be extended by PNBHFL, at its sole discretion, , for such period as PNBHFL may deem fit. If the Borrower(s) does not fully draw down the funds during the Availability Period, PNBHFL may vary the terms of the Disbursement Letter (including the PEMII, the EMI or the number of EMIs) and it would be the sole discretion of PNBHFL to even downsize the Loan and the Borrower(s) shall not raise any objection or raise any dispute with PNBHFL at a later date regarding such downsizing of the Loan.

2.4 **Interest**

2.4.1 The Borrower(s) shall be liable to pay the Interest stated below, on the Loan Amount Disbursed and Outstanding Amount at such rate, opted by the Borrower(s) and as more specifically set out under the Disbursement Letter:

- i. Fixed Rate of Interest or;
- ii. Fixed Rate of Interest for initial period and after initial period at Floating Rate of Interest or;
- iii. Floating Rate of Interest.

2.4.2 Interest on the Loan will begin to accrue in favor of PNBHFL from the date of the handover of the cheque or from the date of RTGS, NEFT, pay order / demand draft/ banker's cheque, postal order as the case may be, irrespective of the time taken in transit/collection/ realization of the Disbursed amount by the Borrower(s) or the payee.

2.4.3 In case the Borrower(s) desire to change from Floating Rate of Interest to Fixed Rate of Interest, or vice versa, he may make a written application to PNBHFL. PNBHFL shall have sole discretion to accept or reject the Borrower(s) request (and not as a matter of right) for such change in the Interest rate. The rate of Interest mentioned in the Disbursement Letter is subject to revision by PNBHFL or applicable statutory provisions in force at the time or due to switch from one scheme to another or due to change (increase / decrease) in the Repayment Term initiated by PNBHFL at the Borrower(s) behest.

2.4.4 The Parties agree that PNBHFL, at its sole judgment and discretion, may resolve to increase or decrease the PNBHFR or change the rate of Interest based on applicable restand in terms of this GTC by providing intimation within 30 days to the Borrower(s) and update the same on the web site of PNBHFL from time to time for information to the Borrower(s) and public at large. The Borrower(s) further agrees and undertakes that the change in any of the rates of Interest and the periodicity thereof shall also be binding upon any Guarantor(s) in terms of any agreement of guarantee executed/to be executed by such Guarantor(s).

2.4.5 The EMI comprises of principal and Interest calculated on the basis of the rate of Interest mentioned in the Disbursement Letter and is rounded off to the next rupee. Amounts Due and any other charges payable by the Borrower(s) to PNBHFL shall be computed on a monthly basis. PNBHFL may at their sole discretion stipulate the periodicity or rest for the computation of Interest.

In case of Fixed Rate of Interest, where the Loan is being Disbursed by PNBHFL to the Borrower(s) in part and there is a change in the rate of Interest subsequent to the first Disbursal, then subsequent part Disbursements of the Loan shall be the weighted average of the different rates of Interest applicable to the Loan forthwith from the date of such increase/decrease in the rate of Interest. It is further clarified that in case of part disbursal of the Loan, Fixed Rate of Interest may vary from time to time, as may be decided by PNBHFL and unless the Loan is fully disbursed, the Borrower(s) shall not assume that the applicable rate of interest shall be fixed. Provided further, for the purposes of calculating the PEMII/EMI payable by the Borrower(s) on the Loan, the weighted average Interest as mentioned above, shall be calculated on all such part Disbursements taken together.

PNBHFL may, in their sole discretion, amend/revise the rate of Interest suitably and



prospectively on account of change in the rate of Interest as per the guidelines/ notifications/ circulars issued by any statutory authority or any change in the internal policies of PNBHFL or if any unforeseen or extraordinary changes in the macro-economic conditions take place during the period of the Loan Documents. Thereafter, the rate of Interest varied as aforesaid shall be applicable to the Loan from the date of notification of the revision irrespective of the date of communication thereof.

- 2.4.6 For administrative convenience, PNBHFL may decide in its discretion to keep the amount payable under the EMI constant irrespective of variations in the Floating Rate of Interest and, therefore, the number of EMIs may vary which shall be binding on the Borrower. Intimation shall be given by PNBHFL as to further or other or reduced/increased number of EMIs required to be paid by the Borrower(s) upon each/any change in the Floating Rate of Interest.
- 2.4.7 The Borrower(s) agrees, undertakes and covenants with PNBHFL to reimburse or pay to PNBHFL such amount as may have been paid or be payable by PNBHFL to any Government Authority on account of any Tax or Other Charges levied on Interest paid by the Borrower(s) (including any Interest on any PEMII/EMI on the Loan) by any Government Authority. Borrower(s) shall make the reimbursement or payment as and when called upon to do so by PNBHFL or by such Government Authority.

2.5 **Computation of Interest and Overdue Charges**

- 2.5.1 The EMI as well as the Interest in the Loan Account shall be calculated on the basis of annual rate of Interest, as prevailing from time to time, with monthly compounding rest. Hence, the amount under the EMI and the Interest calculated on the annual rate of Interest shall be payable in twelve equal installments in a year.

However, Overdue Charges in the Loan Account shall be calculated on the basis of annual rate of Interest for applicable time period to levy such Overdue Charges, as prevailing from time to time. The purpose of change and increase or decrease in such rate of Overdue Charges shall be as binding on the Borrower(s) as per the prevailing Schedule of Charges.

- 2.5.2 PEMII shall be calculated on the basis of annual rate of Interest payable on monthly basis, on respective Due Dates, on the Disbursements made, at the rate of Interest, as specified in the Disbursement Letter. Hence, the amount under the PEMII calculated on the annual rate of Interest shall be payable in twelve equal installments in a year.
- 2.5.3 Interest for Broken Period and Overdue Charges will be calculated on the basis of a year of three hundred and sixty five (365) days.
- 2.5.4 Interest shall begin to accrue in favour of PNBHFL on and from the date of Disbursement.

2.6 **Disbursement of Loan**

- 2.6.1 A Disbursement under this GTC shall mean any Disbursal of the Loan Amount, or any part thereof, made by PNBHFL in terms of Article 2.7 of this GTC.
- 2.6.2 The Loan, or any part thereof, may upon a request being made by the Borrower(s) in writing or electronically (through an email or any other mode acceptable to PNBHFL) and subject to the sole discretion of PNBHFL, be disbursed either in one or more installments. Where the Property is under Construction, the Loan may, at the sole discretion of PNBHFL, be disbursed in installments at such intervals having regard to the need or progress of the Construction of the Property and upon submission of proof to be furnished by the Borrower(s) which is acceptable to PNBHFL, which shall be final, conclusive and binding on the Borrower(s).
- 2.6.3 Disbursements shall be deemed to have been made to the Borrower(s) on the date of handover of cheque, save and except where the Disbursement is made through RTGS, NEFT, pay order / demand draft/ banker's cheque or through postal order, in such an event, the Disbursement shall be deemed to have been made from the date of such RTGS,



NEFT, pay order / demand draft/ banker's cheque, postal order and not from the date of the handover.

- 2.6.4 Any Disbursal request made by the Borrower(s) shall form integral part of the Loan Documents. The Borrower(s) undertakes to acknowledge the receipt of every Disbursement, including all future disbursements (as applicable), in the form acceptable to PNBHFL. Each of the Borrower(s) authorize the others to make such Disbursal request for and on behalf of the other Borrower(s). Any Disbursal request received by either of the Borrower(s) shall be binding on the other Borrower (s) and PNBHFL shall make the Disbursement in accordance with such Disbursal request. Any Disbursement made pursuant to such request shall not be questioned by any of the Borrower(s).
- 2.6.5 In case Disbursement are in installments, PNBHFL shall have the right to demand that, before any Disbursement by PNBHFL, the Borrower(s) shall make full non-funded contribution towards the Purpose as specified by PNBHFL at its sole discretion and provide documentary proof thereof to PNBHFL.
- 2.6.6 Collection charges, if any, in respect of all such Disbursements shall be borne by the Borrower(s) and to be decided on sole discretion of PNBHFL.
- 2.6.7 PNBHFL shall be entitled, at its sole discretion, to pre-pone or postpone any Disbursement, either at the request of the Borrower(s), or otherwise.
- 2.6.8 In the event PNBHFL does not receive or otherwise accede to any request made by the Borrower(s) in accordance with Article 2.6 within the Availability Period, in such case PNBHFL shall not be bound to entertain any further request of Disbursal of the Borrower(s) after Availability Period, at sole discretion of PNBHFL.

2.7 **Mode of Disbursement**

- 2.7.1 All disbursements to be made by PNBHFL under or in terms of the Loan Documents shall be in the name of the Borrower(s)/Designated Representative/Seller of the Property/supplier of material, goods or services or the Person, as authorized by the Borrower(s) in writing and shall be made by way of cheque crossed as "A/c payee only" or any other mode i.e. Real Time Gross Settlement ("**RTGS**"), National Electronic Funds Transfer ("**NEFT**"), direct transfer etc. to the Designated Account or, as the case may be, at sole discretion of PNBHFL.
- 2.7.2 All Disbursement shall be received by and duly acknowledged by the Borrower(s)/Designated Representative/Seller of the Property/supplier of material, goods or services or by the Person for and on behalf of the Borrower(s), as authorized by the Borrower(s) in writing. The Borrower(s) hereby confirms that such authorised Designated Representative/Seller of the Property/supplier of material, goods or services/Person will be fully authorized to accept the Disbursement for and on behalf of the Borrower(s).
- 2.7.3 Any Disbursement made shall be subject to the minimum Disbursement amount as specified by PNBHFL at its sole discretion.
- 2.7.4 In case any Disbursement is required to be utilized for the Construction of the Property and/or payment of purchase consideration to the Seller of that Property, then in that event or situation the Disbursement shall be made directly to the Seller of the Property or Designated Representative of the Borrower(s), as the case may be.
- 2.7.5 In the event the Disbursal of the Loan or any part thereof for the Purpose, during the subsistence of the Loan Documents, is declared illegal or becomes illegal on account of any promulgation, amendment, modification or re-enactment of any statute, notification, circular or order etc., it shall result in the occurrence of an Event of Default in terms of the provisions of Article 7.1 of this GTC and the Loan Documents shall stand terminated with effect from the date from which the declared end use or any integral part thereof has become illegal, and the Borrower(s) shall be liable to repay the Amounts Due, etc. forthwith to PNBHFL.
- 2.7.6 To the extent applicable, the availing of the Loan and exercise of rights and performance of obligations under the Loan Documents or any other Security or transactions documents



shall constitute, private and commercial acts done and performed for private and commercial purposes.

2.8 **Repayment**

- 2.8.1 The Borrower(s) agrees, confirms and undertakes to repay the Amounts Due during the Repayment Term, in the manner (i.e. either by account payee cheque/demand draft drawn in favour of PNBHFL or by debit to the Escrow Account or RTGS/NEFT/ECS or any other mode as may be specified by PNBHFL at its sole discretion) as and when due, as stated in the Loan Documents.
- 2.8.2 The Borrower(s) undertakes to make all Repayments, subject however, that in the event of any delay of advancement of Disbursement for any reasons whatsoever, PNBHFL shall have the discretion to refix the EMI (including for any other reason) and the Due Date for Repayment.
- 2.8.3 In case Disbursement of the Loan is done in installments as required for the purchase of a Property under Construction, PNBHFL may allow Repayment through PEMII/EMIs, which would be calculated for the part of the Loan already disbursed, over the full tenure of the Repayment Term. With each additional Disbursement, this PEMII/EMI amount would increase and such increased PEMII/EMI shall be applicable for every future PEMII/EMI repayment.
- 2.8.4 Alternatively, in the above situation where the Disbursement is being made in installments, the Borrower(s) may choose to or PNBHFL may allow payment of only the PEMII, till such time, the entire Loan is disbursed, after which repayment of EMI would commence.
- 2.8.5 The Borrower(s) shall pay to PNBHFL (a) every EMI on the Due Dates from its commencement; and/or (b) PEMII on the Disbursement made, on the respective Due Dates, until the commencement of EMI.
- 2.8.6 PEMII/EMI shall be payable by the Borrower(s) on such dates as indicated in the Disbursement Letter. In case such day is not a Business Day, then PEMII/EMI shall be payable by the Borrower(s) on the preceding Business Day.
- 2.8.7 Notwithstanding the provision of Article 5.3(a) of this GTC, in the event PNBHFL permits the Borrower(s), in writing, to let out the Property, the Borrower(s) hereby agrees, in addition to the payment of EMI as mentioned above, to deposit the specified percentage of the amount of rent or profits accruing to the Borrower(s) (as specified by PNBHFL at its sole discretion) every month in respect of the Property in the Loan Account towards the reduction of Borrower(s) liability. Further, the Borrower(s) covenants and undertakes that the Property shall be let out by a proper legal instrument (lease or rent deed/agreement) and further that the Borrower(s) shall submit a copy of such instrument with PNBHFL within 7 (seven) days of execution of such legal instrument.
- 2.8.8 The Borrower(s) further agrees to pay, within seven (7) days of any demand for the same by PNBHFL, the Other Charges payable by the Borrower(s) irrespective of PEMII or EMI fixed by PNBHFL, failing which the Borrower(s) shall be liable to pay Interest and Overdue Charges or such Other Charges at the rate as may be applicable under Articles 2.4 and 2.5 of this GTC.
- 2.8.9 The Borrower(s) hereby agrees, confirms and undertakes to replenish Repayment mode (ECS or PDC's) after initial set of PDCs are used by PNBHFL. The Borrower(s) further agrees and undertakes to submit new set of ECS instructions/documents for the Repayment. In case the Borrower(s) does not replenish the Repayment mode on time, monthly service fee as mentioned in the Schedule of Charges shall be levied to Loan Account of the Borrower(s).
- 2.8.10 In case the Borrower(s) desire to swap/interchange the PDCs or the ECS from one Bank/ financial company to another, or for any reason whatsoever, the Borrower(s) may, with the



prior written permission of PNBHFL do so by paying to PNBHFL such swap charges as may be specified by PNBHFL from time to time.

2.8.11 In case the payment of the Outstanding Amount is required to be made to PNBHFL through Escrow Account, the Borrower(s) shall:

- (i) issue necessary irrevocable instruction to its/his/her/their banker in the prescribed manner to debit the Escrow Account with the Outstanding Amount due on the relevant date as per Repayment and/or as otherwise specified by PNBHFL (“**Letter of Instruction**”) and shall provide copy of such Letter of Instruction to PNBHFL as acknowledged by such banker and/or if required by PNBHFL, shall provide an original copy of letter issued by such banker stating the compliance of Article 6 of this GTC; and
- (ii) shall submit the copy of Repayment Schedule and/or any other document(s) as required by PNBHFL to be submitted to its/his/her/their banker.

2.8.12 Notwithstanding the Repayment of the Loan Amount and Interest in installments and Other Charges in the manner as stipulated herein, the Borrower(s) shall remain liable to pay all Amounts Due after adjustment of the above Repayments.

2.8.13 Notwithstanding anything to the contrary stated in Article 2.8 above, if the Loan is not totally drawn by the Borrower(s) within the Availability Period, PNBHFL shall have the right at any time or from time to time to review and reschedule the Repayment terms of the Amounts Due payable by the Borrower(s) in such manner and to such extent as PNBHFL may, in their sole discretion, decide and the Repayment will thereupon be made as per the revised Repayment Schedule and all the terms and conditions of the Loan Documents would continue to be binding on the Borrower(s), besides any other supplementary Disbursement Letter that may be signed between PNBHFL and the Borrower(s). However, PNBHFL shall inform the Borrower(s) regarding such rescheduling of the Repayment terms of the Amounts Due. The Borrower(s) agrees and confirms that the Availability Period mentioned hereinabove shall be decided by PNBHFL at its sole discretion.

Notwithstanding anything to the contrary stated hereinabove, PNBHFL may at its sole discretion and at any time during the currency of the Loan, reschedule/ modify the Repayment terms including the number of EMIs, PEMIs and the amount payable thereunder.

2.9 **Delay in payment**

2.9.1 No notice, reminder or intimation shall be given to the Borrower(s) regarding his/her/their obligation(s) to pay the EMI or PEMI regularly on respective Due Dates. It shall be entirely the responsibility of the Borrower(s) to ensure prompt and regular payment of EMI or PEMI. The Borrower(s) agree that timely payment / Repayment is the essence of the Loan Documents.

2.9.2 Any delay or default in payment of EMI or PEMI or Other Charges shall render the Borrower(s) liable to pay Overdue Charges on the amount in default as per the rate decided by PNBHFL at its sole discretion, or at such other rate as may be prescribed by PNBHFL treating default for any part of month as a default for the full month.

2.9.3 The Borrower(s) agree that levy of Overdue Charges by PNBHFL on account of any delay by the Borrower(s) in not making timely payments under the Loan Documents shall be over and above the applicable penal charges. Any default by the Borrower(s) in making timely payments for EMI or PEMI or any other payments due and payable by the Borrower(s) to PNBHFL shall be treated as an “Event of Default” under Article 7.1 of this GTC.

2.9.4 Without prejudice to the above, on the expiry of the period as specified in the notice in Article 7.2 of the GTC, which is issued by PNBHFL to the Borrower(s), PNBHFL shall be entitled to recall the Loan without any further notice or intimation and the Borrower(s) shall be forthwith liable to repay all the Amounts Due as appearing in the books and



records of PNBHFL and the entries made therein, shall be deemed to be conclusive evidence of the matters, transactions and accounts between the Parties.

2.10 **Prepayment**

2.10.1 Subject to applicable Law at the time of such Prepayment, the Borrower(s) shall be liable to pay Prepayment charges as may be specified. The Prepayment charges as updated on the website of PNBHFL from time to time for information to public at large, can be revised at any time at the sole discretion of PNBHFL in accordance with the applicable Law and the Borrower(s) shall be bound to pay the same.

2.10.2 In the event PNBHFL, in its sole and absolute discretion, permit any Prepayment/acceleration at the request of the Borrower(s), the Repayment Schedule for the Loan shall be amended/ revised by PNBHFL for giving effect to such Prepayment/acceleration, and such amended/ revised repayment schedule shall be binding upon the Borrower(s).

The Borrower(s) shall give a written notice of at least thirty (30) days expressing his intention to prepay the Loan. The Prepayment shall have effect only after PNBHFL has received the entire Outstanding Amount, overdue amount and other charges including the Prepayment charges. It is further clarified that Prepayment charges shall be applicable in the event that the Loan is recalled due to occurrence of any Event of Default.

2.10.3 The Prepayment shall be made only in accordance with the terms and conditions of this GTC and as per Schedule of Charges applicable at the time of Prepayment of Loan. If the Borrower(s) pays any amount to PNBHFL before the Due Date of EMI, PNBHFL shall be entitled to appropriate the same in such manner as it deems fit, and the credit in respect of the payment realized of such amount shall be given by PNBHFL to the Borrower(s) only on the next Due Date of EMI. Repayment Schedule shall be amended accordingly after adjustment of all overdues and charges.

2.10.4 Subject to applicable Law, no Prepayment would be permissible till such time the Loan is fully disbursed and before completion of 12 (twelve) months from date of last Disbursement except at the sole discretion of PNBHFL.

2.11 **Terminal dates of Disbursement**

Notwithstanding anything to the contrary contained herein, PNBHFL may by notice to the Borrower(s) cancel further Disbursement of the Loan, if the Loan has not been drawn within the Availability Period, at sole discretion of PNBHFL.

2.12 **Liability of Borrower(s) to be joint and several**

Where the Loan is provided to more than one Borrower(s) or where the payment obligations are secured by any guarantee or Security, notwithstanding anything therein stated, the liability of the Guarantor(s) and one or more of such Borrower(s) to repay the Amounts Due and to observe the terms and conditions of this GTC, is, and shall remain, joint and several. The Borrower(s) obligations under this GTC are separate from his/her/their obligations under any other arrangement the Borrower(s) has entered into with PNBHFL and the obligations of any Guarantor of the Loan.

2.13 **Application of payments and realization**

PNBHFL shall be entitled to receive and apply/adjust/appropriate monies that PNBHFL may receive under any payments and realizations, (other than the payments of PEMII or EMI), including any realization received from any insurance company or as enforcement of Securities, or otherwise received in respect of the charges on the Securities, against amounts payable under the Loan Documents without affecting the Borrower(s) obligations under the Loan Documents. If such application/adjustment/appropriation result in part Repayment of the Loan, the Repayment Schedule be suitably modified by PNBHFL and the Borrower shall, thereafter, pay the EMI as per the modified Repayment Schedule that PNBHFL may indicate to the Borrower(s).



2.14 **Payment of switching over charges or other such charges**

In the event, PNBHFL is offering revised rate of Interest in future, the Borrower(s) shall have option to avail the revised rate of Interest in respect of the Loan, provided if such option is made available by PNBHFL, at its sole discretion, to the Borrower(s), with prospective effect subject to payment of applicable switching over charge and Other Charges as levied by PNBHFL and on execution of documents, if any, as may be prescribed by PNBHFL in that behalf. Further, it shall be responsibility of the Borrower(s) to keep himself informed about the revision in rate of Interest as applicable from time to time. However, in case the Borrower(s) is/are not willing to avail of such option, he/she/they may within sixty (60) days close his/her/their Loan Account subject to payment of all Amounts Due or switch it without having to pay any extra charges or Interest.

2.15 **Appropriation of Payments**

2.15.1 Unless otherwise agreed to by PNBHFL, any payment due and payable under the Loan Documents and made by the Borrower(s) will be appropriated towards such dues in the order, namely: (a) costs, charges, expenses, incidental charges and other moneys that may have been expended by PNBHFL in connection with the recovery of the Amounts Due; (b) liquidated damages on defaulted amounts; (c) fees; (d) any arrears under the Loan; (e) PEMII; (f) EMI; and (g) any payment to be made by the Borrower(s) under any agreement entered into with PNBHFL in relation to any facility availed by the Borrower(s) towards any other obligation of the Borrower(s).

2.15.2 Notwithstanding anything contained in Article 2.15.1 above, PNBHFL may, at its absolute discretion appropriate any payment in any manner towards its dues, payable by the Borrower(s) under this GTC.

2.15.3 Any amount/proceeds received by PNBHFL upon sale, realization, recovery or insurance claim relating to the Security (ies) shall be appropriated towards the dues of the Borrower(s) as per the discretion of PNBHFL. No interest or compensation shall be payable by PNBHFL to the Borrower(s).

2.16 **General Lien andSet-off**

Notwithstanding anything contrary stated under the Loan Documents, PNBHFL shall be entitled to general lien on the Property/any other property (movable or immovable) and Escrow Account as security for a general balance of account and the right to set off one account against another in terms of any Law or equity.

2.17 **Terminal Benefits**

In case the Borrower(s) is an individual and opts for any scheme or accepts any offer from his/her employer proving for any benefit for retirement from the employment prior to superannuation, or the employer terminating his/her employment for any reason or the Borrower(s) resigning or retiring from the service of the employer for any reason whatsoever, then notwithstanding anything to the contrary contained in the Loan Documents or any letter or document, the Amounts Due shall be payable by the Borrower(s) to PNBHFL from the amount or amounts receivable by him/her from the employer under such scheme or offer, or any terminal benefit, as the case may be, provided however, in the event of the said amount or amounts being insufficient to repay the said sums to PNBHFL in full, the unpaid amount remaining due to PNBHFL shall be paid by the Borrower(s) in such manner as PNBHFL may at its sole discretion decide and the payment will be made by the Borrower(s) accordingly notwithstanding Article 2.8 above. The Borrower(s) hereby unconditionally and irrevocably authorizes PNBHFL to communicate with and receive the aforesaid amounts from the Borrower(s) employer directly

2.18 Any service, post Disbursement of the Loan, shall be provided at a sole discretion of PNBHFL. Borrower(s) shall pay applicable charges available on the website of the PNBHFL or as displayed in the offices of PNBHFL. The Schedule of Charges shall be revised from time to time and the same shall be binding on the Borrower(s).



ARTICLE: 3

SECURITY

- 3.1 In consideration of PNBHFL agreeing to grant the Loan, the Borrower(s)/Security Provider shall create/cause to be created such Security (ies), or such other assets of the Borrower(s)/Security Provider, or any other Person acceptable to PNBHFL, and/or cause such guarantee to be furnished, in favour of PNBHFL, in a form and manner satisfactory to PNBHFL, as Security for Repayment of all Amounts Due or payable by the Borrower(s) under the Loan Documents.
- 3.2 The Borrower(s)/Security Provider will obtain all necessary permission of any authority/bank/financial institution/any other Person, if required for the creation/extension of the Security hereby agreed by her/ him/their to be created in favour of PNBHFL and it will be open to PNBHFL to refuse to Disburse the Loan Amount, stop making further Disbursement and/or recall the Amounts Due under the Loan, until and unless such permission is procured and Security is created within the period as specified by PNBHFL in the Loan Document or otherwise.
- 3.3 For the consideration aforesaid and as continuing security for the performance of the obligations hereunder and to secure the Outstanding Amount, the Borrower(s)/Security Provider, as legal and beneficial owner of the Property and/or Receivables, hereby hypothecates all the Receivables by way of hypothecation charge in favor of PNBHFL in the manner to be specified by PNBHFL from time to time and hereby further creates irrevocable right of lien and set off over the monies lying and credited into the Escrow Account .
- 3.4 In case when the Loan is sanctioned/granted/continued to the Borrower(s) by PNBHFL in consortium or multiple banking arrangements with other banks/entities (the **“Other Banks”/“Other Entities”**) then the first/ second charge by way of hypothecation over the Receivables created by the Borrower(s)/Security Provider in favour of PNBHFL, will be treated as pari passu charge thereon, subject to the Other Banks also confirming/conferring/ceding similar pari passu charge over the Receivables created/to be created in their respective favour by the Borrower(s)/Security Provider, to PNBHFL and this GTC will read and be construed to mention the exclusive/first/second pari passu charge by way of hypothecation accordingly.
- 3.5 PNBHFL shall have right to ask the Borrower(s)/Security Provider to provide such necessary documents executed in favour of PNBHFL in order to create Security in the form, manner and within period satisfactory to PNBHFL.
- 3.6
- a) The Borrower(s)/Security Provider agrees to create/execute/extend Security within the period initially specified solely by PNBHFL or such extended period as PNBHFL may in its sole discretion allow.
 - b) In case the Borrower(s)/Security Provider does not create/execute the Security within the time specified by PNBHFL or duly extended, PNBHFL shall be entitled to charge Overdue Charges as may be prescribed by PNBHFL, till such time as the said Security is not created/executed/extended to the satisfaction of PNBHFL. The Overdue Charges payable by the Borrower(s)/Security Provider under this Article shall be in addition to any other Overdue Charges payable by the Borrower(s)/Security Provider in respect of delay in payment of EMI, PEMII or any other Outstanding Amount in terms of Article 2.5.
 - c) In case of Borrower(s)/Security Provider defaults in creation of Security within the time so specified or extended, PNBHFL shall be entitled, in addition and without prejudice to the charge of Overdue Charges under Article 3.6(b) to recall the amount outstanding under the Loan.
- 3.7 In case the Property is under Construction, the Borrower(s)/Security Provider shall hypothecate all amounts deposited/to be deposited with the Seller/builder from whom the Borrower(s)/Security Provider has purchased/agreed to purchase the Property, present and future, which are due or may become due to the Borrower(s)/Security Provider, for the purchase of such Property, by executing a deed of hypothecation in the form and manner satisfactory to PNBHFL.



- 3.8 In case the Property is under Construction, the Borrower(s)/Security Provider hereby agrees, confirms and undertakes that on the completion of Construction of the Property, the Property shall stand charged in favour of PNBHFL, and the Borrower(s)/Security Provider shall do all necessary acts, or comply with necessary formalities/procedural requirements in relation to the same, as may be required by PNBHFL.
- 3.9 In case the title of the Property is to be transferred in the name of the Borrower(s)/Security Provider at a future date the Borrower(s)/Security Provider undertakes to create/execute the mortgage/hypothecation/pledge of the Property, when the title is transferred in his/her/their favour after fulfilling all the terms and conditions antecedent to it or within the time limit as prescribed by PNBHFL or such further time as PNBHFL may allow in its discretion.
- 3.10 In the event the Loan has been availed by the Borrower(s) for the repayment of an existing loan or facility against any Property (ies), then the Borrower(s) shall within such period as prescribed by PNBHFL from the Disbursement of the Loan, get the previous security interest removed from the records of the appropriate registering authority and have the Security, if any, in favour of PNBHFL or agents registered with such registering authority.

3.11 **Registration of Charges:**

Where the Borrower(s)/Security Provider is a body corporate, it shall cause the charges created under the Loan Documents to be registered with the Registrar of Companies in accordance with the provisions of section 77 of the Companies Act, 2013 and rules framed thereunder or such other applicable Law, as may be prescribed in relation to a body corporate or a limited liability partnership, within the prescribed time and furnish the certificate of registration to PNBHFL. It shall be the obligation of the Borrower(s)/ the Security Provider to get the charge registered with CERSAI and accordingly the Borrower(s)/ Security Provider shall extend all necessary cooperation for the said purpose .

3.12 **Continuing Security:**

Security(ies) furnished/to be furnished by the Borrower(s)/Security Provider in connection with the Loan shall be and remain a continuing security(ies) to PNBHFL and binding upon the Borrower(s)/Security Provider and (a) the Borrower(s)/Security Provider shall not be discharged by intermediate payment or Repayment by the Borrower(s) or any settlement of accounts by the Borrower(s) so far as any part of the Amounts Due remain outstanding by the Borrower(s); (b) Security (ies) furnished shall be in addition to and not in derogation of any other Security which PNBHFL may at any time hold in respect of the dues of the Borrower(s); (c) Security(ies) furnished/to be furnished by the Borrower(s)/Security Provider shall be available to PNBHFL until all accounts between PNBHFL and the Borrower(s) in respect of the Amounts Due are ultimately settled to the satisfaction of PNBHFL; and (d) the statement of accounts of the Borrower(s) maintained by PNBHFL in the usual course of business show a nil balance.

3.13 **Sufficiency of Security**

Where PNBHFL, in its sole discretion during the subsistence of the Loan Documents, is of the opinion that the Security(ies) provided/to be provided by the Borrower(s)/Security Provider has become inadequate/ insufficient to cover the Amounts Due, the Borrower(s)/Security Provider shall, on demand, provide and furnish to PNBHFL such additional/alternate security(ies), as may be acceptable to PNBHFL.

PNBHFL shall, after giving written notice to the Borrower(s)/Security Provider, be entitled to recover any of it dues under the Loan Documents from the Security(ies)/additional Security(ies). The Borrower(s)/Security Provider shall execute all relevant documents which are necessary for such recovery and asked by PNBHFL.

- 3.14 The Borrower(s)/Security Provider agrees and acknowledges that each Security secures all amounts the Borrower(s)/Security Provider owes to PNBHFL at any time on any account (including in connection with the Loan). Even if the Borrower(s)/Security Provider repays the balance owing,



PNBHFL need not release any Security until PNBHFL is satisfied that no other amount is due or may become due for payment to PNBHFL by the Borrower(s)/Security Provider.

- 3.15 a) The Borrower(s)/Security Provider agrees to execute an irrevocable power of attorney (“**POA**”) in favour of PNBHFL to carry out his/her/their obligations in respect of creation of Security, and all matters incidental thereto. It is clearly understood and agreed by the Parties that execution of the POA shall not absolve the Borrower(s)/Security Provider from her/his/their obligations and undertakings to create mortgage within the period specified. Further, execution of the POA shall not prejudice any of the rights of PNBHFL to recall the Amounts Due for non-creation of Security, or for charging of Overdue Charges for delay in creation of Security and for enforcement of Security.
- b) It is further understood and agreed that PNBHFL shall not be bound to exercise its powers and shall not be liable in any manner whatsoever for the exercise or non-exercise of the powers under the POA executed/to be executed by the Borrower(s)/Security Provider.
- 3.16 The Borrower(s)/Security Provider further agrees that in addition to creation of Security for the Loan, and executing any POA, the Borrower(s)/Security Provider shall also:
- a) Execute demand promissory note in favour of PNBHFL for the Loan, in the form and manner satisfactory to PNBHFL;
- b) Assign any life insurance policy on the life of the Borrower(s), in favour of PNBHFL, under such plan and for such sum assured as may be required and approved by PNBHFL;
- c) Execute agreement, undertaking, bond, deed of guarantee by surety of sound financial standing in the form and manner satisfactory to PNBHFL, and execute such other agreement, along with an irrevocable power of attorney, inter alia, authorizing PNBHFL to sell/transfer/convey the Property on the occurrence of any Event of Default during the currency of this Loan and/or on the occurrence of any Event of Default under any other loan granted to Borrower, whether by PNBHFL or any other Person, to the Borrower before or hereafter.
- 3.17 The Borrower(s) agrees/consents that the Borrower(s) shall not have any objection for PNBHFL to avail refinance from NHB/financial institutions and the Borrower(s) hereby permits PNBHFL to avail refinance from NHB and other financial institution and the Borrower(s)/Security Provider hereby permits PNBHFL as a Security holder to transfer its interest in the Security (charged to PNBHFL) to NHB or any other financial institution as security for refinance to PNBHFL.

ARTICLE: 4

CONDITIONS PRECEDENT TO DISBURSEMENT OF THE LOAN

- 4.1 **Utilization of Borrower(s) contribution:** The Borrower(s) shall have satisfied PNBHFL that he/she/they has, prior to receiving the Disbursement of the Loan, utilized/paid off own contribution of the Loan margin (i.e. the cost of the Property less PNBHFL's Loan) for the purchase or Construction of the Property. Further, the Borrower(s) has assured that the Borrower(s) has complied with all other precondition for Disbursement of the Loan.
- 4.2 **Title:** The Borrower(s)/Security Provider assures PNBHFL that he/she/they (or in case the Property is under Construction, the Seller/builder of the Property) has/have absolute, clear and marketable title to the Property including free from Encumbrance, any liability, charge/lien or from any litigation/court decree whatsoever, to be mortgaged by him/her/them as Security for the Loan and PNBHFL is free to get the title of the Property checked/verified in the manner it deems fit at the cost and risk of the Borrower(s).
- 4.3 **Other Conditions Precedent for Disbursement:** The obligation of PNBHFL to make any Disbursements under the Loan Documents shall also be subject to the following Conditions Precedent:
- (a) Creditworthiness of the Borrower(s)/Security Provider:** Borrower(s)/Security Provider shall



conform to and meet the minimum creditworthiness requirements as may be specified by PNBHFL. PNBHFL may make or cause to be made such inquiries as may be deemed fit and proper in their sole discretion, to determine the creditworthiness of the Borrower(s)/ Security Provider. The Borrower(s)/Security Provider shall also provide such other information as may be called for by PNBHFL in order to verify the creditworthiness of the Borrower(s)/Security Provider;

- (b) Non-existence of Event of Default:** No Event of Default as defined in Article 7.1 hereof has occurred or is likely to occur.
 - (c) Evidence for Utilization of Disbursement:** After the Loan has been sanctioned by PNBHFL in favour of the Borrower(s), the Borrower(s) shall produce such evidence satisfactory to PNBHFL of the proposed utilization of the proceeds of the Disbursement of the Loan within the time frame specified by PNBHFL, along with the request for release of part of the funds needed by the Borrower(s) for the Purposes mentioned in the Loan Application/ Disbursement Letter, as the case may be.
 - (d) Extraordinary Circumstances:** No extraordinary or other circumstances shall have occurred which shall make it improbable for the Borrower(s) to fulfill his/her/their obligations of the terms and conditions contained in the Loan Documents.
- 4.4 Notwithstanding anything contained in this Article 4, in case any Disbursement has been made, the Borrower(s) shall continue to be under obligation to repay the amount so disbursed in terms of the Loan Documents.
- 4.5 **Escrow Agreement:** The Borrower(s), PNBHFL and escrow agent may enter into an escrow agreement or any other document(s) or agreement(s), as may be specified by PNBHFL, for depositing Receivables into the Escrow Account, facilitating Disbursement and Repayment of the Amounts Due including creation of lien/charge on the Escrow Account and in case of a Company recording of such charge. For the said purpose, Borrower(s) agrees, confirms and undertakes that it has fully understood the conditions and requirements of escrow mechanism as mentioned in Sanction Letter and it shall comply or cause to comply all the conditions/requirements as mentioned in the Sanction Letter including depositing the Receivables into the Escrow Account in terms of the Loan Documents and execute contract, deeds and agreements to the satisfaction of PNBHFL in this regard.
- 4.6 The Borrower(s)/Security Provider shall, if required, provide additional security to secure the Loan acceptable to PNBHFL which shall be clear, marketable, unencumbered and non-agricultural property up to Security Cover as specified herein or by PNBHFL at its sole discretion. Notwithstanding anything to the contrary stated above, in the event any Security(ies) furnished by the Borrower(s)/ Security Provider is subsequently found to be of inferior value to that as declared by the Borrower(s)/ Security Provider, the Loan may, at the sole discretion on PNBHFL, be recalled/Repayment may be accelerated by PNBHFL with immediate effect and such event may be treated as an Event of Default.
- 4.7 The Borrower(s)/Security Provider, as the case may be, shall make delivery of the following, duly stamped (if required) and in a form and substance satisfactory to PNBHFL:
- (i) PDC's;
 - (ii) Evidence that all consents, resolutions, approvals, authorizations and permissions (including but not limited to approved sanctioned building plans) required for availing of the Loan or for creation of Security in favour of PNBHFL have been obtained.
 - (iii) Security documents and/or guarantee(s), whether personal or corporate.
 - (iv) Evidence that all compliance under the Companies Act, 2013 has been adhered to;
 - (v) Evidence of a duly stamped sale agreement of the Property duly registered with the Sub Registrar of Assurances or any other competent authority, in favour of the Borrower(s)/ Security Provider or any one of the Borrower(s)/Security Provider (as the case may be) and the necessary security can be created in favour of PNBHFL in the form and manner as acceptable to PNBHFL.



- (vi) Evidence to show insurance cover on the Property has been obtained to the satisfaction of PNBHFL.
- (vii) Evidence, as may be deemed necessary by PNBHFL, including but not limited to an undertaking and indemnity that the Loan or any part thereof shall be used only for Purposes as disclosed by the Borrower(s) in the Disbursement Letter.

ARTICLE: 5

COVENANTS

5.1 **Affirmative Covenants:** The Borrower(s) and the Security Provider, as may be relevant, hereby expressly covenants with PNBHFL as follows:

- a) **Utilization of Loan:** The Borrower(s) shall utilize the entire Loan for the Purpose as indicated by him/her/them in the Loan Application/Disbursement Letter and for no other purpose whatsoever. Further, PNBHFL may require end use certificate/declaration by the chartered accountant or from the Borrower(s) at sole discretion of PNBHFL.
- b) **Construction and purchase:** The Property shall be acquired and/or constructed on the land comprising the Property in accordance with the sanctioned plan for the same, and the Borrower(s) shall obtain and produce to PNBHFL a proper true copy of such sanctioned plan. In case the construction of the Property is being undertaken by the Borrower(s), the Borrower(s) covenants that he/she/they shall complete the said construction of the Property strictly as indicated by him/her/them in his/her/their Loan Application/Disbursement Letter and not otherwise, and obtain, produce and deposit with PNBHFL a duly certified true copy of occupation/completion certificate issued by the Government Authority. In case any subsequent Construction is carried out, the same shall also be in accordance with the approved plan. The Borrower(s) shall not raise any illegal Construction.
- c) Subject to Article 5.3(b) and as specified by PNBHFL, the Borrower(s) covenants and undertakes that the Property shall be let out by a proper legal instrument (lease or rent deed/agreement) and further that the Borrower shall submit a copy of such instrument with PNBHFL within 7 (seven) days of execution of such legal instrument. The Borrower(s) shall ensure that a tripartite agreement/any other arrangement is executed among the Borrower(s), PNBHFL and the proposed lessee/tenant for remittance of Receivables till Amounts Due is fully paid.
- d) The Borrower(s) hereby undertakes to remit the Receivables to PNBHFL to be applied in reduction of the Borrower(s) indebtedness to PNBHFL in respect of the Loan. The Borrower(s) shall not recover or realize any of the Security comprising of movable and immovable property upon being prohibited in writing by PNBHFL from doing so. In this regard, either the Borrower(s) shall or PNBHFL is hereby irrevocably authorized by the Borrower(s) to direct the licensee/tenants/lessee/occupants of the Property to remit the Receivables by cheque drawn on the Escrow Account only.
- e) The Borrower(s) shall furnish or cause to furnish such statements and other particulars regarding Security as may be asked by PNBHFL. PNBHFL will have right to inspect the Security and ascertain such information as may be necessary.
- f) **Notify causes of delay and Event of Default:** The Borrower(s) shall promptly notify by way of written notice to PNBHFL of any event or circumstances as stated hereinbelow, which might operate as a cause of delay in the commencement or completion of the Construction of the Property or delay in the purchase of the Property and if any Event of Default (either as defined in this GTC or any other documents entered into by the Borrower(s)) or any event which, after the notice or lapse of time or both would constitute an Event of Default shall have happened:
 - (i) Any dispute with any Person, Government Authority affecting or directly relating to



- the Borrower(s)/Security Provider or the Security(ies) offered under the Loan Documents including any dispute or difference relating to or concerning the Property.
- (ii) Any distress or execution being levied against the Property.
 - (iii) Any material circumstances affecting the ability of the Borrower(s)/Guarantor to repay the Amounts Due in the manner stipulated in the Loan Documents.
 - (iv) Where the Borrower(s) is a company, partnership firm or sole proprietorship concern, such information relating to the Borrower(s) administration, management and financial conditions, as may be stipulated by PNBHFL, from time to time.
 - (v) Any arrears payable to government or any public/local authority such as income tax, corporation tax, property tax and all other taxes and revenues.
 - (vi) Any change in address or employment or in the particulars, descriptions, location of the Security(ies) to be provided pursuant to the terms of the Loan Documents.
 - (vii) The occurrence or likely occurrence of any event which is likely to affect the capacity of the Borrower(s) to repay the Amounts Due and other charges payable under the Loan Documents or the performance of the obligations of the Borrower(s)/Guarantor to PNBHFL in respect of the Loan.
 - (viii) Where the Borrower(s) is/are engaged in any industrial activity under applicable labour laws, the happening of any labour strikes, lockouts, shut downs, fires or any event likely to have a substantial effect on the Borrower(s) profits or business and of any material changes in the rate of production or sale of the Borrower(s) with an explanation of the reasons thereof.
- g) **Maintenance of Property:** The Borrower(s) shall maintain the Property, when completed, in good order and condition and will make all necessary repairs, additions and improvements thereto during the pendency of the Loan.
- h) **Title Documents:** The Borrower(s)/Security Provider shall provide PNBHFL with all title documents to the Property (i) which are in the Borrower(s) possession, (ii) which may come in the Borrower's possession at a future date; (iii) which are required to be submitted to PNBHFL to create/perfect the charge of PNBHFL over the Property within the time period or in the manner as specified by PNBHFL at its sole discretion. PNBHFL shall have an absolute right and discretion to handover such title documents / deeds to any of the Borrower(s) or their authorized representative (s) once the Loan is completely repaid for which PNBHFL shall not be questioned in any manner.
- i) **To notify change in employment, etc.:** The Borrower(s), in case an individual, shall undertake to promptly notify PNBHFL of any change in his/her employment, business or profession, as the case may be, by way of termination, retirement, ceasing for any reason whatsoever.
- j) **To notify change/alteration/modification in constitutional documents and/or structure of body incorporated and/or other entity other than natural person:** The Borrower(s) undertakes to take prior consent of PNBHFL for any change in its/their management, control, constitutional document(s), nature of business or profession, structure, ceasing of its operation etc. for any reason whatsoever.
- k) **To notify change in address, email, phone number, etc.:** The Borrower(s) shall promptly notify any change/alteration in his/her/their residence or correspondence address, email ID, phone number, landline as well as mobile phone, and any other relevant information in this regard which were declared in the Loan Application for any reason whatsoever.
- l) **Observance of terms and conditions:** The Borrower(s) shall strictly comply with all the conditions, and fulfill all the obligations, as required under the Loan Documents. In case of any conflict of provision, or difference in interpretation between the Sanction Letter, Disbursement Letter and this GTC, the provisions of the Disbursement Letter shall prevail.
- m) **Compliance with rules etc. and payment of maintenance charges etc.:** The Borrower(s) shall duly and punctually comply with all Laws, terms and conditions for acquiring and



holding of the Property and all concerned and related rules, regulations, bye-laws of the concerned co-operative society, association, limited company or any other competent authority and pay such maintenance or other charges for the upkeep of the Property as also any other public dues like Taxes, cesses, etc. levied by any Government Authority or any other dues as may be payable in respect of the said Property or the use thereof.

Further, if the Borrower(s) is an NRI or PIO, he shall comply with all the provision of the Foreign Exchange and Management Act, 1999 (“**FEMA**”) and the various applicable Regulations and amendments made thereunder. Such Borrower(s) shall exclusively utilize the disbursed amount provided under the Loan to acquire a residential accommodation in India and the Loan shall be repaid out of the Borrower(s) NRE/NRO account in India or by remittances made from such channels as may be prescribed by FEMA from time to time. In case the Borrower(s) is an NRI, he shall make delivery of the evidence that the he holds an Indian passport.

- n) The Borrower(s) agrees that each one of them is an agent for the other(s) and is authorized to acknowledge and admit liability outstanding in the Loan Account from time to time.
- o) The Borrower(s) agrees to comply with time frame specified in the sanction plan approved by the relevant authority and communicated to PNBHFL to commence and complete the Construction of the Property for which the Loan has been availed and shall complete Construction and/or development of the Property within such stipulated time period as mentioned in such sanction plan/communicated time period.
- p) **Comply with payment obligations:** The Borrower(s) shall pay on time all amounts for which the Borrower(s) is/are responsible to pay, as the owner(s) of the Property (including Taxes, fees and costs).
- q) **Insurance:** Notwithstanding what is contained herein or any documents or letter the Borrower(s)/Security Provider shall be vigilant and he/she/they shall ensure that the Property is during the pendency of the Loan, always duly and properly insured against earthquake, fire, flood, explosion, storm, tempest, cyclone, civil commotion and other hazards, etc., as may be required by PNBHFL, with PNBHFL being made the sole beneficiary under such insurance policy/policies and produce evidence thereof to PNBHFL on his own from time to time and whenever called upon to do so and pay premium amount promptly and regularly so as to keep the policy(ies) alive at all time during such period. Without prejudice to the generality of the above, the Borrower(s)/Security Provider shall also do or cause to be done the following:
 - (i) It is also agreed that PNBHFL shall have the absolute right to adjust, settle, compromise or refer to arbitration without reference to or, consent of the Borrower(s)/Security Provider, any dispute in connection with or arising under any policy of insurance and any of the assured and such act of PNBHFL shall be valid and binding on the Borrower(s)/Security Provider but shall not impair the right of PNBHFL to recover its dues from the Borrower(s)/Security Provider.
 - (ii) The Borrower(s)/Security Provider shall also take insurance coverage on his/her/their life and/or other general insurance to the extent of Loan from an insurance company for which PNBHFL may at its discretion lend amount for the insurance premium and accumulate such insurance premium with the Loan or the Borrower(s)/Security Provider may pay such insurance premium out of his/her/their own fund.
 - (iii) The Borrower(s)/Security Provider hereby undertakes to irrevocably appoint PNBHFL as his agent for the purpose of receiving all monies payable under the said insurance policy (ies) and giving discharges thereof and the Borrower(s)/Security Provider shall notify the insurer of this condition under information to PNBHFL;
 - (iv) Any claim made whether partial or total loss and settled by the insurance company shall be payable only to PNBHFL who shall have first right on the proceeds. Surplus, if any, shall be paid to the Borrower(s)/Security Provider;
 - (v) In the event of failure by the Borrower(s)/Security Provider to insure the Property or



to pay the insurance premia or other sums under the policy, PNBHFL may get the Property insured or pay the insurance premia and the other sums referred to above. The Borrower(s)/Security Provider shall reimburse such amount within 15 (fifteen) days of demand being made by PNBHFL with such charges as applicable and determined by PNBHFL. On the failure of the Borrower(s)/Security Provider to reimburse such amount within 15 (fifteen) days PNBHFL shall be entitled to recover the same as part of Amounts Due; and

- (vi) PNBHFL expressly disclaims any responsibility for arranging and renewing the insurance or paying the premium and any lapse or omission will not in any ways prejudice the rights of PNBHFL against the Borrower(s)/Security Provider under the Loan Documents.
- r) **Loss/damage of Property by uncovered risks:** The Borrower(s)/Security Provider shall promptly inform PNBHFL of any loss or damage to the Property which the Borrower(s)/Security Provider may suffer, either due to any act of God or damage or otherwise.
- s) **Notify additions, alterations and modifications:** The Borrower(s)/Security Provider shall notify and furnish details of any additions or alterations/modifications in the Property proposed to be made by the Borrower(s)/Security Provider during the pendency of the Loan along with evidence of permission of competent authority to PNBHFL to their satisfaction.
- t) The Borrower(s) expressly recognizes and accepts that PNBHFL may, without prejudice to its rights to perform such activities itself or through its officials, be absolutely entitled and have full power and authority to appoint one or more parties of PNBHFL choice as its collection agent. Further PNBHFL shall have power to transfer and delegate such authority to the said party all right and authority to collect on its behalf unpaid dues and to perform and execute necessary acts, deeds, matters and things connected therewith or incidental thereto including sending notices and demand, receiving the outstanding (in cash/draft/cheques) from the Borrower(s), entering into compromise with the Borrower(s) giving the valid receipt and granting effectual discharge to the Borrower(s) and generally performing all lawful acts as a third party may consider appropriate for the purpose.
- u) PNBHFL shall always be at its liberty to recall the Amounts Due in case of untimely death of the Borrower(s).
- v) If the Property is a leasehold property, the Borrower(s)/Security Provider undertakes to take all necessary steps to get the leasehold property converted into free hold (except for the Property for which conversion is not permitted from leasehold to freehold under Law) and get the conveyance/transfer deed executed and registered in this regard and bear all necessary expenses connected therewith from her/his/their own sources. Upon execution of such conveyance deed, the Borrower(s)/Security Provider shall immediately submit the original copy of such conveyance deed to PNBHFL in order to validly create the Security.
- w) PNBHFL shall be at its liberty to have the Security as aforesaid valued by an appraiser appointed by PNBHFL and the fees and expenses on such appraisal shall be paid by the Borrower(s)/ Security Provider.
- x) The Borrower(s) hereby undertakes to render to PNBHFL and its officials all facilities, as may be required for any of the purposes aforesaid.
- y) In case the Borrower(s) constitutes a firm/limited liability partnership or the Borrower(s) is partner of a firm/limited liability partnership, no change whatsoever without prior written permission of PNBHFL in the constitution of such firm during the continuance of the Loan Documents shall impair or discharge the liability of the Borrower(s) or any one or more of them hereunder, or in any way effect the right and remedies of PNBHFL under the Loan Documents.
- z) The Borrower(s) hereby agrees, confirms and undertakes that all incidental charges (including the deficient amount immediately upon the receipt of intimation to that effect from PNBHFL), at the rate fixed by PNBHFL from time to time at its discretion, shall be debited to the



Escrow Account as and when the same is due to PNBHFL or shall be paid by the Borrower(s) by way of cheque/demand draft drawn in favour of PNBHFL, as specified by PNBHFL at its sole discretion.

- aa) The Borrower(s) hereby confirms that the photocopy/true copies submitted for the Purpose of availing the Loan are genuine. PNBHFL may at any time, call for or require verification of originals of any/ all such copies. Any such copies in possession of PNBHFL shall be deemed to have been given only by the Borrower(s).
- bb) In the event the Loan has been disbursed by PNBHFL to a builder/third party/Seller for and on behalf of the Borrower(s) towards purchase price of the Property and if due to any event/circumstance the allotment of the Property to the Borrower(s) is cancelled and the builder/third party/Seller refunds the amount disbursed by PNBHFL after forfeiting certain amount, the Borrower(s) undertakes to make good and/or repay in full the amounts so forfeited by the builder/third party/Seller.
- cc) The Borrower(s) agree(s), confirm(s) and acknowledge(s) that the Borrower(s) has/have exercised due care and caution (including, where necessary, obtaining of advice of tax/ legal/ accounting/financial/other professionals) including conducted due diligence and satisfied with the title documents, approvals and consents prior to taking of the decision, acting or omitting to act, in respect of investing in the Property and further agrees, confirms and acknowledges that PNBHFL is not responsible for any defect in the title documents of or delay in Construction/giving of possession/completion of the Property to the Borrower(s), or for the quality condition or fitness of Construction of the Property including where PNBHFL may have approved/sanctioned or otherwise provided the Borrower(s) any information in respect of the Seller of the Property.
- ee) The Borrower(s), his/her/their heirs, legal representatives, executors, administrators and successors are bound by the terms and conditions of the Loan Documents. However, the Borrower(s) shall not be entitled to transfer or assign any of his/ her/their rights and obligations under the Loan Documents. In this regard, the Borrower(s) shall cause to get executed the undertaking by his/her/their heirs, legal representatives, executors, administrators and successors, as the case may be, in the form and manner satisfactory to PNBHFL.
- ff) The Borrower(s) undertakes to ensure that each Security Provider complies with their obligations under the Security they provide to PNBHFL.
- gg) The Borrower(s) undertakes that in cases where Loan was sanctioned by PNBHFL for the purpose of funding a plot and Construction on the plot do not commence within a period as deemed reasonable by PNBHFL or as specified by NHB in this regard from the date of Disbursal of the Loan, then PNBHFL shall be entitled to charge higher rate of interest, at its sole discretion, acceptable to the Borrower(s).
- hh) In case of lease rental discounting facility, the Borrower(s) agrees and undertakes that it shall at all times be required to maintain a minimum amount as prescribed by PNBHFL in the Debt Service Reserve Account (“**DSRA**”) in the event PNBHFL were to prescribe condition in relation thereto;
- ii) Change in residential status: If the Borrower is an NRI, the Borrower hereby undertakes to inform PNBHFL if his residential status of NRI changes to a Person Resident in India during the tenure of the Loan. In default of the same, the Borrower further undertakes to indemnify PNBHFL for any loss, any damage borne by PNBHFL;
- jj) If the Borrower is an NRI and in the event the Borrower ceases to be an Indian citizen and acquires citizenship of any other country or a foreign passport, the Borrower shall forthwith repay the entire outstanding Loan together with all interest, costs, charges and other amounts due by the Borrower to PNBHFL under the Loan Documents.
- kk) **Civic amenities:** In case the Property is situated at Small Place the Borrower(s) shall certify that the said Small Place has the usual civic amenities, such as electricity, tap water, drainage etc. and the construction will not conflict with any of the plans of the Government



Authorities or other bodies and the sale of the Property when necessary, can be carried out easily.

- II) The Borrower(s) agrees and undertakes to reimburse expenses incurred by PNBHFL in connection with the search and investigation of title of the Property, valuation of the Property, preparation, execution, performance, enforcement and realization of this GTC, Security documents and other documents/ instruments executed in pursuance hereof and also other charges incurred by PNBHFL on account of standing instructions, electronic clearing system, salary deductions and other miscellaneous charges in relation to the Loan.

5.2 **Right to inspect:** The Borrower(s) agrees that PNBHFL or any Person authorized by PNBHFL will be allowed to have free access to the Property for the purpose of inspection, or supervising and inspecting the progress of construction/renovation, make evaluation of Receivables of the Borrower(s) and the account of Construction/renovation at the Borrower(s) cost to ensure proper utilization of the Loan and thereafter, till any of the Loan Amount is outstanding. The Borrower(s)/ Security Provider shall also permit similar inspection of the same by such other companies, credit bureaus or bodies as PNBHFL may appoint or authorize for the purpose of the Loan. Borrower(s)/ Security Provider undertake(s) that he/she/it/they shall also deposit with PNBHFL such tangible evidence such as photographs etc. of the Construction being undertaken in the Property. All expenses arising from or incidental to the visit of the authorized person and taking of photocopies of the documents shall be borne by the Borrower(s).

5.3 **Negative Covenants:**

The Borrower(s) and the Security Provider, as may be relevant, further covenant(s) with PNBHFL that during the Repayment Term, shall not, without prior written permission of PNBHFL:

- a) **Possession:** Subject to the provision of Article 2.8.7 hereof, let out or give on leave or license or otherwise howsoever part with the possession (whether existing or to happen in future) of the Property or any part thereof.
- b) **Alienation and easement:** Sell, mortgage, lease, sub-lease, surrender or otherwise howsoever alienate, encumber or create any third party interest in the Property or any part thereof in any manner whatsoever may be, the Security or any part of the Security, or create or allow to exist any Security in the Property, other than as agreed to by PNBHFL. The Borrower(s) shall not create any right of way or any other easement of the Property.
- c) **Agreement & arrangements:** Subject to Article 5.3(a) above, enter into any agreement or arrangement with any Person/institution/local/Government Authority for the use, occupation or disposal of the Property or any part thereof during the pendency of the Loan. The Borrower(s) shall not execute any document, such as POA, or any other similar or other deed, in favour of any person to deal with the Property in any manner whatsoever, except in favour of PNBHFL in the manner required by PNBHFL. The Borrower(s)/Security Provider shall not enter into any agreement for cancellation of the sale deed/agreement to sell/title deed entered into by the Borrower(s)/Security Provider for the purchase of the Property.
- d) **Change of use:** The Borrower(s)/Security Provider shall not change the nature of use of the Property; if the Property is used for any purpose other than residential purpose, in addition to any other action which PNBHFL might take against the Borrower(s), PNBHFL shall be entitled to charge in its sole discretion, such higher rate of Interest as it might deem fit in the circumstances of the case, including withholding of further Disbursements, if any.
- e) **Amalgamation or partition of Property etc.:** Amalgamate or merge the Property or any part thereof with any other property. Further, the Borrower(s)/Security Provider shall not effect any oral or other partition of the Property in any manner, or enter into any family arrangement, or use it for the purpose of business or any purpose other than the Purpose.
- (f) **Surety or guarantee:** Stand surety for anybody or guarantee the repayment of any loan or



borrowing or overdraft or the purchase of any other asset (or other assurance against financial loss), other than as provided herein.

- g) **Leaving India:** Leave India for employment/business/stay abroad for long term without full Repayment of the Amounts Due including but not limited to Prepayment charges as per the rules of PNBHFL then in force and change of residential status from resident Indian to non-resident Indian.

5.4 For so long as the Amounts Due or any part thereof is still outstanding or remain unpaid, the Borrower(s)/Security Provider shall not:

- a) create Encumbrance(s) on the Security in favour of any Person without the consent of PNBHFL in writing; and
- b) receive, compound or realize the Security nor do anything whereby the recovery of the same may be impeded without the prior written consent of PNBHFL and shall keep proper books of account of their business and shall at any time when required produce such books for inspection of PNBHFL and allow PNBHFL (through its employees and agents) to have access thereto and to make copies of or extracts therefrom.

ARTICLE: 6

BORROWER'S REPRESENTATIONS & WARRANTIES

The Borrower(s) and the Security Provider, wherever necessary and as may be relevant represents, warrants and undertakes on its behalf and on behalf of the Security Provider to PNBHFL that:

6.1 Constitution and Authority:

- (A) where the Borrower(s) is a partnership firm:
- (i) it is availing the Loan/creating the Security on the terms of its partnership deed and does not conflict with the provisions of the partnership deed or the Indian Partnership Act, 1932 or any other Law for the time being in force;
 - (ii) the availing the Loan/ creating the Security is being made by and on behalf of the partners (and binds all the partners jointly and severally), and that the partnership is in force and existing, and the availing of Loan / creation of the Security has been ratified by all of the partners, jointly and severally;
 - (iii) no minor have been admitted to the benefits of the partnership or no minor interest exists in the partnership on the date of execution of the Loan Documents;
 - (iv) the Borrower(s)/Security Provider shall promptly notify PNBHFL of any and every change in the constitution of its partnership whether on account of the admission of a new partner or the retirement, death or insolvency of any partner and none of the partners shall take any steps for dissolution of partnership at any time during the term of the Loan Documents;
- (B) where the Borrower(s) is a company, confirms that:
- (i) the Borrower(s)/Security Provider is not precluded under any Law including under the Companies Act, 1956 and Companies Act, 2013 from availing of Loan / creation of the Security;
 - (ii) all necessary corporate or other necessary action has been taken to authorize and that the Borrower(s) has corporate ability and authority to avail the Loan/create the Security; and
 - (iii) availing of Loan/creation of the Security does not contravene any provisions of the



Memorandum and the Articles of Association, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Borrower(s).

- (C) where the Borrower(s) is a limited liability partnership, confirms that:
- (i) the Borrower(s) is not precluded under any Law including under the Limited Liability Partnership Act, 2008 from availing of Loan/creation of the Security;
 - (ii) all necessary corporate or other necessary action has been taken to authorize, and that the Borrower(s) has corporate ability and authority, to avail the Loan/create the Security; and
 - (iii) availing of Loan/creation of the Security does not contravene any provisions of the limited liability partnership agreement, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Borrower(s).
- (D) where the Borrower(s) is a co-operative society or a public trust it also confirms that:
- (i) availing of Loan/creation of Security on the terms and conditions stated herein is within the scope of the its constitutional documents / trust deed and does not conflict with the provisions of the trust deed/bye-laws/regulations as currently in force;
 - (ii) availing of Loan/creation of Security is being made by and on behalf of the co-operative society or a public trust and that the co-operative society or a public trust is in force and existing, and the availing of Loan/creation of the Security has been ratified by appropriate resolutions/ authorisations; and
 - (iii) availing of Loan/creation of the Security has been duly authorized and does not contravene any provisions of the trust deed/bye-laws/regulations as currently in force, or any Law, regulation or contractual restriction or obligation or undertaking binding on or affecting the fund or its Assets.
- (E) where the Borrower(s) is a HUF, it also confirms that:
- (i) no minor interest is involved and the Karta declares that the above equally binds each of the co-parcenors and beneficiaries of the HUF and all the co-parcenors, without any unreasonable delay, will sign the Loan Documents; and
 - (ii) the Karta declares that the Loan is for the benefit of each of the co-parcenors and beneficiaries of the HUF.
- (F) where the Borrower(s) is an individual, also confirms that he/she has capacity to contract and the availing of Loan/creation of Security does not contravene any provisions of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the individual or its Assets and he/she can avail the Loan/create the Security.
- (G) where the Borrower(s) is a private trust, also confirms that the trustees have the power to avail the Loan/create the Security and such availing of Loan/creation of Security does not contravene any provisions of the trust deed as currently in force, or any law or contractual restriction or obligation or undertaking binding on or affecting the trust or its Assets.
- 6.2. The Borrower(s) has entered into Loan Documents and signed the same out of his own free consent and no undue influence or coercion has been exercised upon him to do so.
- 6.3. The Borrower(s) shall ensure that Security Provider is fully empowered to enter into the security documents and to perform obligations under the relevant security documents and the same is duly signed and delivered by the Security Provider as may be required, and constitute legal, valid and binding obligations of the Security Provider, as the case may be, enforceable against him/her/it/them in accordance with their respective terms.
- 6.4. The Borrower(s)/Security Provider declares, assures and warrants that nothing in the Loan Documents conflicts with any law, regulation or bye law of the Central or a State Government or any local or revenue/tax or statutory authority or any such other authority, which is binding on the Borrower(s)/Security Provider. The Borrower(s)/Security Provider's dues



under the Loan Documents shall not be affected, impaired or discharged by insolvency or death of the Borrower(s)/Security Provider.

- 6.5 The Borrower(s)/Security Provider declares that all the amount including the amount of own contribution paid/payable in connection with the Property as well as any security for the Loan is/shall be through legitimate source and does not, shall not constitute an offence of money laundering under the Prevention of Money Laundering Act, 2002.
- 6.6 The Borrower(s) agrees and undertakes that the Security Provider(s) shall create the appropriate Security in favour of PNBHFL and that the Borrower(s)/Security Provider shall not create any Encumbrance, charge, lien, hire, lease or any security interest whatsoever in the Security so created or any of them in favour of any other Person or body, except with the prior written consent of PNBHFL. The Security created by the Borrower(s)/Security Provider(s) under the security documents and the Loan Documents shall continue and remain in force till such time the Amounts Due under the Loan Documents and any other obligations of the Borrower(s) are fully discharged to PNBHFL by issuance of a certificate of discharge. The Security created under the security documents and pursuant to the Loan Documents and the liability of the Borrower(s)/Security Provider shall not be affected, impaired or discharged by winding up (voluntary or otherwise) or by any merger or amalgamation, reconstruction, takeover of the management, dissolution or nationalization (as the case may be) of the Borrower(s)/Security Provider.
- 6.7 **Confirmation of Loan Application:** The Borrower(s) confirms the accuracy, authenticity, genuineness and legal validity of the information, document, statements given/provided by him/her/them, either in his/her/their Loan Application made to PNBHFL, or otherwise during the subsistence of the Loan Documents/Loan, and any prior or subsequent information or explanation given to PNBHFL in this behalf, whenever PNBHFL so desires. Any such information/document/statement in possession of PNBHFL shall be deemed to have been given by the Borrower(s).
- 6.8 **Power of Borrower(s):** The Borrower(s) has power and all necessary authorizations to own the Property and carry on any business and/or profession that the Borrower(s) conducts/practices, and to enter into the Loan Documents and any Security the Borrower(s)/Security Provider provides and to comply with the Borrower(s) obligations and exercise the Borrower(s) rights and obligations thereunder.
- 6.9 **Power of third party Security Provider:** The third party Security Provider has power and all necessary authorization to own and/or to provide the Security in terms of the provisions of the Loan Documents.
- 6.10 **Valid obligations:** The Borrower(s) obligations under the Loan Documents and any Security (and the obligations of any Security Provider) are valid, binding and enforceable, and neither the Borrower(s) nor any Security Provider will be in breach of any Law, authorization, document or agreement by entering into or complying with obligations or exercising rights under the Loan Documents or any Security
- 6.11 **Disclosure of material changes:** Subsequent to the Loan Application, there has been no material change which would affect the purchase of the Property/Construction of a dwelling unit on the land comprising the Property or the grant of the Loan by PNBHFL as per the request of the Borrower(s) contained in the Loan Application.
- 6.12 **Charges and Encumbrances:** There are no Encumbrances of whatever nature, on the Property or Assets, except the charge created/to be created in favour of PNBHFL. Further, there is no right of way, light or water or other easement or right of support on the whole or any part of the Property of the Borrower(s)/Security Provider.
- 6.13 **Disclosure of defects in Property:** The Borrower(s)/Security Provider, is/are not aware of any document, judgment or legal process or other charges or any latent or patent defect affecting the title of the Borrower(s)/Security Provider in the Property or of any material defects in the Security which has remained undisclosed and/or which may affect in the



interests, rights and claims of PNBHFL prejudicially or adversely, or which might have caused PNBHFL not to enter into this GTC or provide the Loan.

- 6.14 **Litigation and Infringement of Laws:** The Borrower(s)/Security Provider is/are neither a party to any litigation nor is aware of any facts likely to give rise to any litigation resulting in material claims against the Borrower(s)/Security Provider or in respect to the Property. Further, that no suit or proceeding is pending in or before any authority, office or any other Court of Law in respect of the property to be mortgaged with PNBHFL nor has the Borrower(s)/Security Provider been served with any notice or any other process for infringing the provisions of Law or any Government Authority.
- 6.15 **Immunity from jurisdiction:** The execution by the Borrower(s) of the Loan Documents and the security documents by the Security Providers constitute acts done and performed for the Purpose for which the Loan has been sought and granted to the Borrower(s) and the Borrower(s)/Security Provider shall not be entitled to claim immunity for himself or any of his Assets from suit, execution, attachment or legal process in any proceedings in relation to the Loan Documents or the security documents.
- 6.16 **Trustee or agent:** The Borrower(s) is not entering into this GTC or transacting with PNBHFL as a trustee, agent or nominee.
- 6.17 **Public schemes affecting the Property:** The Property is not included in or affected by any of the schemes of the Government Authority or of the improvement trust or any other public body, a local body or by any alignment, widening or construction of road under any scheme of any Government Authority. The Borrower(s) certifies that the Property is completely and absolutely unencumbered before the Loan is taken and it is situated at place which is served by a municipal body set up under some Law.
- 6.18 **Defaulter:** The Borrower(s) name and/or the name of any of the Security Provider is/are not included in any defaulter list nor has the Borrower(s)/Security Provider been declared to be a willful defaulter.
- 6.19 **Relation with PNBHFL:** The Borrower(s) or its director/partner/trustee/executive member/ or any of the Security Provider is not one of PNBHFL's directors or senior officers, and has no relationship with PNBHFL's directors or senior officers or any director of any other housing finance company/bank (including any scheduled co-operative Bank, trustee fund, mutual fund or venture capital fund).
- 6.20 **Due payments of Public and other demands:** The Borrower(s) has/have paid and until the repayment of the Amounts Due under the Loan payable by the Borrower(s) under the Loan Documents, will pay when due, all public demands such as income tax and all the other taxes and revenues payable to the Government Authorities of any State or to any local authority and that at present there are no arrears of any Taxes and revenues due and outstanding in relation to the Property.

ARTICLE: 6A

6A.1 **Cross Collateralization**

Any security(ies) furnished by the Borrower(s)/Security Provider, under any other agreement entered into/to be entered into with PNBHFL, or either of them or any group companies, its affiliates shall be deemed to be the Security(ies) under the Loan Documents and PNBHFL shall be entitled to exercise any or all rights under the respective agreements including but not limited to exercising right over any security(ies)/charges/ mortgages available to PNBHFL under any of the loans including the present Loan extended by PNBHFL. The Borrower(s) agrees that the Security(ies) offered in respect of the Loan Documents, shall be deemed to be continuing security(ies) in respect of other loan(s) availed/to be availed by the Borrower(s) from PNBHFL and shall not be discharged till such time all the loan(s) are fully discharged to the satisfaction of PNBHFL.



6A.2 Indemnity

The Borrower(s) agrees and undertakes to indemnify and keep PNBHFL and its employee/officer fully indemnified and harmless from and against all the consequences of breach of any of the term, conditions, statements, undertaking, representations, guaranties etc. of this GTC as also of any of its representations or warranties not being found to be true at any point of time, including any claims actions suites, legal proceedings, damages, liabilities, costs, expenses etc. faced, suffered and/or incurred by PNBHFL. That in event of any cost, expenses, loss, damages suffered by PNBHFL due to any claims, actions, suits, legal proceedings, damages, liabilities, costs, expenses etc. being made upon PNBHFL on account of any warranties, representatives, fraud, deed, act and/or omission etc. of the Borrower(s), the Borrower(s) undertakes to pay such amount to PNBHFL as shall be demanded by it within 7 (seven) days of the demand being made.

6A.3 Right of Lien and Set-off

The Borrower(s)/Security Provider hereby agrees, confirms and undertakes that PNBHFL during the currency of the Loan, shall have a lien/charge over the Escrow Account or shall have a right to set off the Escrow Account without notice and shall also have charge over all movable property of every description coming into their possession on account of the Borrower(s) or any one of them for the time being held by PNBHFL on behalf of the Borrower(s) or any one of them whether singly or jointly with others in India or elsewhere including, without prejudice to the generality, any monies bullion, deposits, deposit receipts, promissory notes, bill of exchange, cheques, railway receipts, Government bills and other documents of every description.

ARTICLE: 7

EVENT OF DEFAULT & REMEDIES

7.1 The following events/actions shall constitute an Event of Default under this GTC:

- a) **Non-payment of dues:** Default in or non-payment of Amounts Due or any other dues payable to PNBHFL in terms of the Loan Documents on or before the Due Date as provided in the Loan Documents.
- b) **Non creation of Security:** Non-creation of Security within time specified or within the extended time period, in terms of the Loan Documents.
- c) **Non-performance of covenants:** Non-performance of any covenant, breach of conditions, representations or warranties or agreements on the part of the Borrower(s) with respect to the Disbursement of the Loan under the Loan Documents or any other agreement/document/deed/bond etc. between the Borrower(s) and PNBHFL or the agreement/document/deed/bond etc., executed in favour of PNBHFL.
- d) **Supply of misleading information:** Any information given by the Borrower(s) in his/her/their Loan Application, or financials provided to PNBHFL, and/or any other document/certificate/receipt/statement etc., to PNBHFL is found to be misleading or incorrect in any material respect or any warranty referred to in Article 6 of this GTC is found to be incorrect.
- e) **Cross Default:** Occurrence of any of the following:
 - (i) Any debt of the Borrower(s) is not paid when due nor within any originally applicable grace period;
 - (ii) reasonable apprehension that the Borrower is unable to pay his / her / their other debts;
 - (ii) Any event of default or a potential event of default (however described), which with the



lapse of time or giving of notice may become an Event of Default, occurs under any contract or document relating to any debt;

- (iii) Any commitment for any debt of the Borrower(s) is cancelled or suspended by a creditor as a result of an Event of Default (however described);
 - (iv) Any creditor of the Borrower(s) becomes entitled to declare any debt due and payable prior to its specified maturity as a result of an Event of Default (however described);
 - (v) Any default by the Borrower(s) under any other credit facility agreement or arrangement with PNBHFL or its group companies, affiliates or its successors-in-interest or any other bank/financial institution/non-banking financial company/housing finance company, other creditor(s) and/or PNBHFL; and
 - (vi) Any encumbrance over any assets of the Borrower(s)/Security Provider to secure any other debt becomes enforceable.
- f) **Depreciation of Security:** Without prejudice to the provisions contained under clause 4.6 hereinabove, if any Property on which the Security for the Loan is created depreciates in value to such an extent that in the opinion of PNBHFL additional security should be given by the Borrower(s)/Security Provider to adequately secure the repayment of the Amounts Due and the Borrower(s)/Security Provider(s) refuses to or is negligent in providing such Security or is unable to provide such Security for any reason whatsoever.
- g) **Sale or Disposal of Property:** If the Security or any part of the Security is let out, given on leave or licence, sold, disposed off, charged, encumbered or otherwise alienated in any manner whatsoever, without the prior written consent of PNBHFL.
- h) **Attachment or Distraint on Security:** If an attachment, confiscation or distraint is levied on the Security or any part thereof and/or recovery/certificate proceedings are taken or commenced for recovery of any dues from the Borrower(s).
- i) **Illegal Purpose:** If the Purpose for which the Loan has been obtained becomes illegal on account of any promulgation, amendment, modification or re-enactment of any statute, notification, circular or order etc.
- j) **Deviation from plan of relevant authority:** If there is any deviation from approved/sanction plan as provided by the relevant authority(ies) in relation to the Property.
- k) **Non-deposit of Receivables:** In the event the Receivables are not being deposited into the Escrow Account by the lessee/tenant/licensee/occupant.
- l) **Failure to furnish information/documents/PDC's/ECS or any other accepted Loan repayment mode:** If the Borrower(s) fails to furnish any information/documents/PDC's/ECS deemed necessary in the sole discretion of PNBHFL and as required by PNBHFL for any reason whatsoever.
- m) **Non-payment/non-renewal of cheque:** If a cheque in respect of any monthly payment is not paid on the date thereof or where any such cheque is not renewed before the date of its payment, including where there is any dishonour of a cheque drawn and executed by the Borrower(s) or anybody for and on behalf of the Borrower(s) towards repayment of the Amounts Due and payable by the Borrower(s) to PNBHFL under the Loan Documents or any other document executed by and between PNBHFL and the Borrower(s).
- n) **Default in case of lease rental discounting facility:** If the Borrower(s) fails to maintain the minimum amount in DSRA as specified in Article 5.1 (hh) or keeps the property vacant in case of lease rental discounting facility;
- o) **Failure to inform Event of Default:** If the Borrower(s) fails to inform to PNBHFL, of the happening of any Event of Default or any event which after the notice, or lapse of time, or both, would become an Event of Default.



- p) **Failure to deliver balance confirmation:** If the Borrower(s) fail to sign and deliver to PNBHFL the balance confirmation with respect to the Amounts Due as and when required by PNBHFL from time to time for confirmation of the Borrower(s).
- q) **Security becoming unenforceable:** If any Security (ies) or guarantee, whether personal guarantee or corporate guarantee provided by the Borrower(s)/ Security Provider(s) as additional securities for the purpose of securing the Repayment of the Amounts Due becomes unenforceable or infructuous for any reason whatsoever or the enforceability of the same is challenged by the Borrower(s) or any other person before any court, tribunal, quasi-judicial body, competent authority etc.
- r) **Short payment with respect to the Amounts Due:** Any short payment of any demand raised by PNBHFL under the terms of the Loan Documents.
- s) **Death of the Borrower(s):** If the Borrower(s) dies and the legal heirs, successors and assigns of the Borrower(s) do not or otherwise for any reason whatsoever fail to execute a supplementary agreement, in the format acceptable to PNBHFL, within the time as may be stipulated by PNBHFL in its sole discretion, agreeing to substitute themselves in place of the deceased Borrower(s).
- t) **Delay in commencement of Construction:** If the Borrower(s) fails to commence Construction as committed and informed to PNBHFL in the Loan Application.
- u) **Abandonment of Construction of the Property etc.:** The Construction of the Property is abandoned before the completion thereof or where the Construction of the Property was to be completed in a time bound manner, the Construction of the Property has not been completed within such stipulated time, unless such extension has been expressly agreed to in writing by PNBHFL, and such extension is otherwise not in violation of any Law in force.
- v) **Withdrawal of requisite permissions by the competent authorities:** Any subsequent withdrawal of requisite permissions authorization, certificate etc. issued by the competent authorities in relation to Construction of the Property.
- w) **Bankruptcy or Insolvency:** If the Borrower(s)/Security Provider commits an act of insolvency or if the Borrower(s)/Security Provider make(s) any application for declaring himself/herself/itself insolvent or if an application for declaring the Borrower(s)/Security Provider as an insolvent/bankrupt is made and any order is passed by any court/tribunal/ quasi-judicial authority/any other competent authority for taking the Borrower(s)/Security Provider into insolvency or if the Borrower(s)/Security Provider is/are declared insolvent or bankrupt or if a receiver or official assignee is appointed in respect of any property or estate of the Borrower(s)/Security Provider.
- x) On the lunacy or other disability of the Borrower(s)/Security Provider;
- y) If Borrower(s)/Security Provider creates any Encumbrance over the Security, or otherwise takes any action towards creation of such Encumbrance over the Security without prior written consent of PNBHFL;
- z) If the Borrower(s)/Security Provider acts/or desists from acting in any manner which will jeopardize the security or the powers vested in PNBHFL under the POA from being exercised solely by PNBHFL (acting through authorised representatives);
- aa) In such other cases/circumstances as PNBHFL may deem fit and proper.
- 7.2 **Notice to PNBHFL on the happening of an Event(s) of Default:** If any Event of Default or any event which, after the notice or lapse of time or both would constitute an Event of Default shall have happened the Borrower(s) shall forthwith give PNBHFL notice thereof in writing specifying such Event(s) of Default, or such event.
- 7.3 In the event of PNBHFL exercising its power to recall the Loan, the Borrower(s) hereby agrees, confirms and undertakes that irrespective of the period for which the Loan is granted, PNBHFL is hereby entitled to debit the Escrow Account up to the extent of Amounts Due. In the event, the



amount lying and credited to the Escrow Account is insufficient to pay the Outstanding Amount; the Borrowers shall immediately pay the deficient amount to PNBHFL to meet such shortfall.

7.4 In the Event(s) of Default, the Borrower(s) hereby irrevocably authorize PNBHFL to issue necessary irrevocable instruction(s) to its/his/her/their banker with whom the Escrow Account is maintained to debit the Amounts Due lying in the Escrow Account and pay the same to PNBHFL.

7.5 Without prejudice to the provisions of Article 7.3 or 7.4 mentioned above and on happening of an Event of Default, PNBHFL may ask, at its sole discretion, the Borrower(s) to pay the Amounts Due by way of cheque or demand draft of the relevant Amounts Due.

7.6 **Remedies on the happening of Event of Default:**

a) If one or more of the events specified in the Article 7.1 shall have happened, then PNBHFL by a written notice to the Borrower(s) may declare that the Amounts Due shall become immediately payable by the Borrower(s) and upon such declaration the same shall become due and payable forthwith and the Security constituted herein shall become enforceable (including the DSRA) in terms of the Loan Documents and/or any other security documents/finance documents in relation to the Loan. Notwithstanding anything to the contrary in the Loan Documents, PNBHFL's right to recall the Loan shall be without prejudice and in addition to the right to charge Overdue Charges in terms of Article 2.9.2 and/or 3.6(b).

Further, PNBHFL or RBI/NHB will have an unqualified right to disclose or publish the details of the default and the name of the Borrower(s)/Security Provider with photograph as defaulters along with the Property and other relevant details in the newspaper or in the manner as PNBHFL or RBI/NHB in their absolute discretion deem fit.

(b) **Enforcement of Security:**

(i) Upon the Security becoming enforceable, PNBHFL shall, without prejudice to their other rights and remedies, be entitled to and shall have absolute power and authority to use discretion to repossess, sell and dispose of the Security or any part of the same by public auction or by private treaty, without (as far as may be) the intervention of the Court in accordance with the remedies available under the Law particularly under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as and when PNBHFL may, in its absolute discretion, deem fit and to apply the net proceeds of such sale in satisfaction so far as the same extends towards liquidation of the Amounts Due. PNBHFL shall have the power to transfer/sell the Security without any further notice or recourse to the Borrower(s)/Security Provider. The Borrower(s)/Security Provider hereby agrees and undertakes not to raise any dispute as to the time/manner/value at which the Security is transferred / disposed of by PNBHFL and shall ensure that the Security Provider does not raise a dispute and the decision made by PNBHFL shall be final and binding on the Borrower(s)/Security Provider. PNBHFL shall not be liable for any loss arising due to the sale or transfer of the Security under this Article.

(ii) Notwithstanding any enforcement pursuant to the provisions of this Article, all the provisions of this GTC shall continue in full force and effect mutatis mutandis till such time as the Amounts Due are repaid by the Borrower(s) in entirety.

(iii) If the net sum realized by the sale under the provisions of the Loan Documents relevant for the Loan is insufficient to cover the full amount of the Amounts Due of the Borrower(s), the Borrower(s) agrees to pay to PNBHFL forthwith without waiting for PNBHFL's demand such amount as will make up the shortfall.

(iv) For the sake of clarity, it is hereby stated that any enforcement action initiated by PNBHFL, pursuant to Article 7.6(b) above, shall be binding upon the Borrower(s)/Security Provider in a manner such that such enforcement action has been initiated by PNBHFL.

(c) Further, PNBHFL shall have the right to exercise its right and avail of any other remedy (ies) available under the Law for the time being in force.



- 7.7 **Expenses of Preservation of Assets of the Borrower and of Collection:** All costs including legal cost/lawyer's fees incurred by PNBHFL after an Event of Default has occurred in connection with:
- i) Preservation of the Borrower(s)/Security Provider's Assets including the Property; and/or
 - ii) Collection of Amounts Due under or in respect of the Loan shall be charged to the Borrower(s) and be reimbursed to PNBHFL by the Borrower(s), as PNBHFL shall specify.

ARTICLE: 8

WAIVER

Waiver not to impair the rights of PNBHFL: No delay in exercising or omission to exercise, any right, power or remedy accruing to PNBHFL upon any breach or default by the Borrower(s) under the Loan Documents or any other document, shall impair any such right, power or remedy of PNBHFL, or shall be construed to be a waiver thereof or any acquiescence by it in any default to PNBHFL, affect or impair any right, power or remedy of PNBHFL in respect of any other default.

ARTICLE: 9

COMMENCEMENT DATE OF THE GTC

The GTC shall come in force from the date of acceptance of the Disbursement Letter by the Borrower(s) and shall remain in force and effect until all the monies due and payable by the Borrower(s) to PNBHFL under the Loan Documents as well as any other document(s) that may be subsisting/executed between the Borrower(s) and PNBHFL are fully paid, or terminated earlier in terms hereof.

ARTICLE: 10

MISCELLANEOUS

10.1 Place and Mode of Payment by the Borrower(s):

- a) All monies due and payable by the Borrower(s) to PNBHFL under or in terms of the Loan Documents shall be paid at the registered office or the concerned regional/branch office of PNBHFL by way of ECS/ NEFT facility specifically mentioned and informed by PNBHFL or by any other manner as may be specifically approved by PNBHFL and in case there is no ECS or NEFT facility for the branch of PNBHFL then by way cheque or bank draft; drawn in favour of "**PNB Housing Finance Limited**", on a scheduled bank in the town or city where such registered office/branch/regional office is situated and in case of cash payment Overdue Charges will be levied by PNBHFL. Credit for all payments made by the Borrower(s) by cheque/bank draft drawn will be given only on the date of realization thereof by PNBHFL.
- b) However, any payment of EMI or Interest or part thereof made by any one or more of the joint/co-borrower(s) on account of the Loan availed and any document executed including balance and Security confirmation letter either singly or jointly with one or more of the joint/co-borrowers shall be construed as payment made or document(s) executed on behalf of all the joint-co-borrowers and shall be enforceable against all the joint/co-borrowers as the payment/execution has been made by all the joint/co- borrowers.

10.2 Service of Notice

- (a) The Parties agree that every notice, request, demand or other communication to be given by one Party to the other under the Loan Documents shall be:



- (i) in writing delivered personally or by registered post;
 - (ii) deemed to have been received when delivered personally, at the time so delivered and if given by registered post, 48 hours after it has been put into post;
 - (iii) deemed to have received, if there are more than one Borrower(s) to whom the Loan has been granted or continue to be granted, any notice or request required or permitted to be given or made under the Loan Documents is given to any one of such Borrower(s) at the contact details indicated in the Loan Documents;
 - (iv) deemed to have received any notice or request required or permitted to be given or made under the Loan Documents to such Borrower(s) shall be given in writing to the Borrower(s) at the contact details indicated in the Loan Documents;
 - (v) sent solely to the Borrower(s) at its address mentioned in the Loan Documents or in case of more than one Borrower, be sent to any of the Borrower(s) at the address mentioned in the Loan Documents; and
 - (vi) to PNBHFL at its registered office address first hereinabove mentioned or to such other address as either Party may in writing hereafter notify to the other Party.
- (b) Any notice to be given by a Party to other Party, shall be effective and deemed to have been duly and sufficiently served on other Party, 3 (three) days after the same shall have been delivered to the post office properly addressed to such Party at the address mentioned in the Loan Documents and if delivered to such Party against acknowledgement, it shall be deemed to have been duly served as on the date of delivery.

10.3 **Other Covenants**

- a) PNBHFL may return the Security, if any, to either/any of the Borrower(s) notwithstanding any contrary advice/ intimation from either/any of the Borrower(s) at a later date.
- b) Notwithstanding anything contained in the Loan Documents the Borrower(s) is/are aware that in order to avail/claim benefit under the Income Tax Act, 1961, (as in force from time to time) all the payment for the period upto March 31 would need to be paid by him on or before March 31 every year so that the same can be reflected in his statement of account for the concerned financial year.
- c) The Borrower(s) hereby agrees, undertakes and confirms that any and all stamp duties, legislation fees or other taxes/levies, in respect of the Loan or in respect of the documents evidencing/concerning the Loan or Amounts Due or any penalty(ies) that may be imposed, shall be borne and paid for solely by the Borrower(s) without claiming any set-off, counter claim, damagers etc. If the Borrower(s) fails to pay the same, PNBHFL will make such payments, in which event such amounts paid by PNBHFL will form part of the Loan disbursed.
- d) The Borrower(s) agrees, confirms and acknowledges that the Borrower(s) shall be liable to pay fees/Other Charges as per Schedule of Charges for availing services after sanction/ disbursement of Loan. The Borrower(s) understands that the Schedule of Charges shall be revised from time to time by PNBHFL and such revision shall be binding on the Borrower(s).
- e) The Borrower agrees to abide all the terms and conditions including but not limited to special conditions, if any, stipulated in the Disbursement Letter issued by PNBHFL to the Borrower(s) and accepted by the Borrower(s).

10.4 **Disclosure**

- a) The Borrower(s) understands that as a Condition Precedent, the Borrower(s) hereby accords his/ her/their consent for the disclosure by PNBHFL of, information and data relating to the Borrower(s), of the credit facility availed of/to be availed, by the Borrower(s), obligations assumed/to be assumed, by the Borrower(s), in relation thereto and default, if any, committed by the Borrower(s), in discharge thereof.



- b) The Borrower(s) hereby agrees and gives consent for the disclosure by PNBHFL of all or any such:
- (i) information and data relating to the Borrower(s)/Security Provider;
 - (ii) the information or data relating to any credit facility availed of/to be availed including Security by the Borrower(s);
 - (iii) default, if any, committed by the Borrower(s)/Security Provider, in discharge of such obligation as PNBHFL may deem appropriate and necessary, to disclose and furnish the same to CIBIL/NHB/CERSAI/Government Authority and any other agency/credit bureau authorized by RBI/NHB/any other competent statutory authority; and
- c) The Borrower(s) declares that the information and data furnished by the Borrower(s) to PNBHFL are true and correct. The Borrower(s) undertakes that
- i) CIBIL or any other similar credit information bureau/NHB/CERSAI and any other agency so authorized may use the said information and data disclosed by PNBHFL in the manner as deemed fit by them; and
 - ii) CIBIL or any other similar credit information bureau/NHB/CERSAI, and any other agency so authorized may furnish for consideration, the processed information and data or products thereof prepared by them, to bank/financial institutions and other credit grantors or registered users, as may be specified by the RBI/NHB.
- d) The Borrower(s) further acknowledge(s) that PNBHFL shall also be entitled to disclose all such information/documents etc. stated above to any Court, Tribunal, Arbitrator, if so directed/required.
- e) The Borrower(s) specifically waive(s) the privilege of privacy, privity and defamation. The Borrower(s) shall not hold PNBHFL responsible for sharing or disclosing the aforementioned information now or in the future and also for any consequences suffered by the Borrower(s) or others by reason thereof. The provisions of this Article shall survive even after the term/termination of the Loan Documents including this GTC and the repayment of the Amounts Due by the Borrower(s).
- f) In case of default or potential Event of Default by any of the Borrower(s), without prejudice to the rights of PNBHFL, PNBHFL shall be authorized to inform the employer/directors/partners/members of the Borrower(s) about such default in the manner as PNBHFL shall deem fit.
- g) In case of default or potential Event of Default by any of the Borrower(s), without prejudice to the rights of PNBHFL, PNBHFL shall be entitled to communicate to or with any person or persons with a view to receiving assistance of such person or persons in recovering the defaulted amount. Further the representative of PNBHFL shall be entitled to visit the Property and/or any place of work of the Borrower(s).

10.5 **Appointment of collection agents**

The Borrower(s) expressly recognize(s) and accepts that PNBHFL, without prejudice to their right to perform such acts themselves or through their officers or servants, be absolutely entitled and have full powers and authority to appoint one or more party(ies) of their choice and to transfer and delegate to such party(ies) the right and authority to collect on behalf of PNBHFL all unpaid dues and to perform and execute all act(s), deed(s), matter(s) and thing(s) connected therewith or incidental thereto including sending notices of demand, receiving the outstandings (in cash/draft/cheque) from the Borrower(s), entering into a compromise with the Borrower(s), giving a valid receipt and granting effectual discharge to the Borrower(s) and generally performing all lawful acts as the third party(s) may consider appropriate for the purpose.

10.6 **Assignment and Transfer**

- (a) PNBHFL shall be entitled to sell, assign, securitize or transfer their rights and obligations



under the Loan Documents with or without the Security created in their favour (including all guarantees) to any person, association of persons, body corporate, whether incorporated or not, any company, financier, financial institution, non-banking financial company etc. of their choice in whole or in part and in such manner and on such terms and conditions as PNBHFL may decide. Any such sale, assignment, securitization or transfer shall conclusively bind the Borrower(s)/Security Provider and all other persons claiming under the Borrower(s).

- (b) Any such action and any such sale, assignment or transfer shall bind the Borrower(s) and the Security Provider to accept other party (ies) as creditor exclusively or as a joint creditor with PNBHFL or as a creditor exclusively with the right to PNBHFL to continue to exercise all powers hereunder on behalf of any other party and to pay such outstanding and dues to any such other party (ies) or as PNBHFL may decide. Any cost incurred by the other party or by PNBHFL for enforcement of their rights and recovery of outstanding and dues shall be to the account of the Borrower(s). The Borrower(s)/Security Provider acknowledge(s) and undertake(s), that upon such sale, transfer, assignment, he will continue to pay all dues under the Loan Documents to the other party.

10.7 **Governing Law & Jurisdiction**

This GTC, including all matters relating to its validity, construction, performance and enforcement, shall be governed by and construed in accordance with Indian law. The courts of Delhi will have exclusive jurisdiction in relation to any matter arising under or in connection with this GTC or any agreement/arrangement entered into pursuant to this GTC. However, the Parties hereby agree, confirm and undertake that PNBHFL has a right to file its claim in relation to Amounts Due or any other connected matter(s) in any other competent Court in India at its sole discretion.

10.8 **Arbitration**

Any and all disputes, claims, differences arising out of or in connection with the Loan Documents and or the performance of the Loan Documents shall be settled by arbitration to be referred to a sole arbitrator to be appointed by the PNBHFL and the award, thereupon, shall be binding upon the Parties. The place of arbitration shall be in Delhi or any other place as arbitrator may decide and shall be in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory amendments thereof. The proceeding of Arbitration Tribunal shall be conducted in English language. Each party has to bear cost of representing its case before the Arbitrator. The cost of arbitration, including fees and expenses of the arbitrator, shall be shared equally by the Parties, unless the award otherwise provides.

Subject to this Article herein, the Borrower(s) further agrees that all claims, difference and disputes, arising out of or in relation to dealings/transaction made in pursuant to the Loan Documents including any question of whether such dealings, transaction have been entered into or not, shall be subject to the exclusive jurisdiction of the courts at Delhi only.

10.9 **Partial Invalidity**

Any provision of the Loan Documents, including this GTC, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of the Loan Documents or affect such provision in any other jurisdiction.

10.10 **Amendments**

Except as otherwise provided in this GTC, no modification or amendment to this GTC or any of the terms and conditions hereof shall be valid or binding unless made in writing and duly executed by all Parties.

- 10.11 The Borrower(s) has read and understood the terms and conditions of this GTC and agrees to be bound by the provisions hereof.



*General Terms & Conditions ("GTC") are registered with the office of Sub-Registrar VII at Delhi/New Delhi, on December 09, 2016 having Registration Number 979 in Book no 4, Vol. No. 1614 on Page Number 57 to 103 and also at the office of Sub-Registrar at Karnal, Haryana on December 04, 2014 as Document Number 9326 under Book I, Vol. No. 534 at Page Number 82.

Signature of Borrower(s)

Signature PNBHFL

