

Most Important Terms and Conditions (MITC)

(For individual housing loan)

Major Terms and Conditions of the housing loan agreed to between (The borrower) and Can Fin Homes Ltd (CFHL) are as under:

1. Loan

- i. Loan Amount : ₹ _____ (Rupees _____)
- ii. Purpose of Loan : _____ (Product Code _____)
- iii. a. Rate of Interest : _____ % (floating or fixed for ___ years)
b. Date of Reset in Case of fixed rate :
- iv. Tenure of the loan : _____ months/years
- v. Moratorium/Repayment holiday :
- vi. Mode of communication of changes in roi: SMS/ Notice Board/ website

2. Fee and Other Charges

- i. Processing Charges: ₹ _____ + applicable GST
- ii. Revalidation Charges: ₹500/- if the borrower comes forward to revalidate the sanction after the due date of 30 days (and within 60 days)
- iii. Property Valuation Report charges: Applicant should pay charges @1/8% of the assessed value of the property, subject to a maximum of ₹2500 + applicable GST, to be paid directly to the Panel Valuer.
- iv. Project Appraisal Report/ Techno Economic Evaluation report charges from ₹25000 +GST to ₹50000+GST for projects of over ₹1 Crore:
- v. Documentation Charges: (Actual charges fixed by the branch as per state stamp duty Act) + Charges towards encumbrance certificate / search report from SRO, affidavit charges and other miscellaneous charges.
- vi. Legal Scrutiny Charges: Actual with a Minimum of ₹1100. The charges are to be paid by the borrower to the advocate by way of cheque through the concerned branch and a copy of LSR along with receipt to be given to the borrower.
- vii. CERSAI charges for registration/modification from ₹150 +GST or loans above ₹5 lacs, ₹200+GST depending upon loan amount to be paid along with the application.
- viii. Recovery charges for Sale of Property in the case of NPA's: upto ₹20 lac- 3%, above ₹20 lac upto ₹50 lac- 2.5% and above ₹50 lac- 2% of the realized sale amount, depending upon the value of the property and loan outstanding.
- ix. Prepayment Charges: Nil
In case of loans sanctioned under the scheme, IHL-Super:
Pre-payment charges (during the fixed tenure period):
 - No charges for part payment up to 10% of the opening principal balance for a given financial year.
 - Part payment in excess of 10% of the opening principal balance for a given financial year or full repayment will carry prepayment charges of 2% plus service tax.

- x. Pre Closure Charges: Nil (As per the NHB guidelines, the company at its discretion will charge the pre-closure charges for the accounts sanctioned for the fixed roi under GRHS/LUH @ 2% plus applicable GST in case the loans are taken over by other banks / financial institutions). However, no pre-closure charges will be collected if the borrowers close the loans out of their own funds.
- xi. Conversion Charges/ Interest adjustment charges: Whenever downward revision is effected in the rate of interest (card rates) for loans, same is applicable for new loans to be granted prospectively. In respect of old housing loans (sanctioned before 01/04/17), borrowers who are willing to avail the benefit of the anniversary risk rating shall avail the same by getting fresh risk rating done by the branches as per norms, remitting interest adjustment charges, which shall be 0.50% of the outstanding liability, subject to a maximum of ₹15000/- with applicable GST and signing the link letter.

In respect of other loan accounts (sanctioned after 01/04/17), IAC of 0.50% of the outstanding liability plus GST shall be applicable if the borrower wants to avail the benefit of any reduction in ROI before the anniversary period.

Branch Manager/ RO shall permit such conversions subject to rules of the Company advised from time to time.

- xii. Cheque / PDC dishonor Charges: ₹750/- + GST per cheque per occasion
- xiii. ECS / NACH Return charges ₹750/- + GST per return
- xiv. Document Retrieval Charges: Actual courier charges + ₹300/ per withdrawal.
- xv. Property inspection charges: ₹300 per inspection for 2nd inspection onwards carried out before each release in construction cases and annual inspection of prime and collateral security every year till the closure of loan.
- xvi. Recovery visit charges: ₹500 per visit, in the case of SMA-2/NPA accounts.
- xvii. Safe Custody charges: It is the responsibility of the customer to take delivery of all the title deeds after closure of all loans to the satisfaction of the Company. In case the documents are not taken by the customer, the Company will charge ₹200/- pm from the date of closure till the date of actual delivery of documents back to customers, if the customer does not come forward to collect the documents after loan closure, within 2 months from the date of closure. Generally, all the data/ documents pertaining to any account of the customer will be purged after 8 years from the closure of the loan and the Company will not entertain any request for providing any information/ data of such accounts after 8 years.
- xviii. Penal Interest: Charged @24% p.a on the delayed amount for the delayed period only. Such interest will be charged along with regular interest at monthly intervals.

In respect of outright purchase of properties or flats under constructions, non-receipt of sale deed within 30 days from the date of registration of the property will attract penal interest of 2% on outstanding liability from the due date for receipt of title deeds till the actual receipt of title/sale deed.

If the construction is not completed within 36/60/72 months as the case may be, then the unavailed limit will be cancelled and penal interest @ 2% to be charged from 37th /61st /73rd month respectively

- xix. Applicable recovery charges will be recovered from the customer, in case of default in payment of installments.

- xx. Other charges: As advised in FPC/MITC uploaded in our website/ notice board/ or as intimated to the customers from time to time.
- xxi. Photo copy of the title documents: If the borrower requests for copies of any property documents during the pendency of the loan, a minimum of 15 days' notice should be given to the concerned branch for retrieval of the requested documents by paying the actual courier charges + ₹300/ per withdrawal.
- xxii. Document retrieval charges: Return of original documents on closure / transfer of the loan: Upon closure of loan, the documents will be returned. The customers will be duly intimated by the branches to collect back the documents within 15 days of closure of the loan. If the documents are urgently required (say within 4 days), then actual courier charges (up to ₹300/-) has to be remitted.
- xxiii. Commitment charges: Commitment charge of 1% on undrawn portion of drawdown schedule in loan to commercial property (LCP) and Builder Loan category will be collected.

3. Security for the Loan

- i. Mortgage of Prime security (Full description & Address of property)
- ii. Guarantee (Name of the guarantors with parentage)
- iii. Other security (Full description & Address of property of other collateral securities, if any)

4. Insurance of the property / Borrowers

Property offered as security to CFHL may be insured for its full value at the cost of the borrower, covering risks due to theft, burglary, natural calamities, earthquake, fire, strike, riot, and civil commotion (SRCC) and other appropriate hazards during the pendency of the loan.

The borrower may also take insurance cover for his/her life and accidental cover at his cost with the approved insurance companies, the cost of which shall be borne by the borrower himself/ herself. Such insurance policy should be assigned in favor of the Company.

When insurance is taken, CFHL should be made beneficiary of the policy until the loan is cleared. The policy should be got renewed by the borrower from time to time and the same to be kept in the file.

5. Conditions for disbursement of the loan

- i. **In case of Construction/Extension/Repair/Renovation etc.,:-** The sanctioned amount will be released in stages depending upon the progress in construction after ensuring that investment of margin is made by the borrower and the construction is as per approved plan & Estimate.
- ii. **Purchase of ready built house/ flat etc:** The amount sanctioned for the purchase consideration, preferably along with the margin amount will be disbursed in one lump sum on the day of registration.
- iii. **In case of Composite Loans (Purchase of site and construction of house) Amount** sanctioned for the purpose of purchase of site will be released on the day of registration after the investment of stipulated margin towards the purchase portion of the loan sanctioned. Pre EMI shall invariably collected at the site loan rate from the beginning on the amount disbursed for purchase of site.

Construction should commence within 18 months from the date of sanction failing which, the account will be converted to site loan and all the terms and conditions of site loan will be applied to the loan including the interest. The conditions for release of the loan towards the construction portion of the loan shall be the same as in case of construction mentioned above. The construction should be completed within 36 months from the date of sanction. Rate of interest as applicable to site loan will be charged with retrospective effect, if the construction does not start within 18 months.

- iv. **In case of Flat under Construction: - Disbursement** will be made after investment of margin of money and progress of construction as per the agreement. The final disbursement will coincide with the registration of the property as well as completion of the building as per stipulated norms of the Company. Loan proceeds will be released in the name of the builder / land owner to their bank account only at the specific request/ authorization of customer.
- v. The Company would ensure timely disbursement of loans sanctioned in conformity with the terms & conditions of sanction and compliance of such terms & conditions by the borrower/s/ Guarantors.
- vi. Upon the specific request of the customer, the Company shall provide the facility of electronic transfer of loan proceeds through NEFT/RTGS to the account of the beneficiary/ builder/ vendor.

6. Repayment of the loan & Interest

- i. EMI Amount: ₹ _____ commencing from _____
- ii. The interest on the loan account is debited at the rate specified in the sanction letter subject to changes made by the Company from time to time and on periodical review of risk profile of the customer. The interest is compounded at monthly rests and debited on last working day of the month.
- iii. Total Number of instalments _____ months. EMI will be fixed for the remaining period of the loan which is, *Total tenure of the loan less Moratorium period permitted as per sanction terms.*
- iv. In case of houses/ flats/ commercial properties under constructions, due date for payment of Pre Equated Monthly Installment Interest (PEMI) shall be payable at monthly intervals. Such PEMI will start from the date of first disbursement till final disbursement.
- v. Equated Monthly Installment (EMI) begin date:

The EMI begin date is as under:

- a) For IHL / IHL-Super / Commercial Housing Loan / CLSS under PMAY (both EWS/LIG and MIG category) / New GRHS / New LUH / Loan for Commercial Properties (LCP) / GRHS and LUH.

<p>Outright purchase of ready built house/ flat/ commercial property</p> <ul style="list-style-type: none"> • When the disbursement is made in one go. • Wherever disbursement takes place in stages as in the case of repairs, renovations, furnishing of the house etc. 	<p>EMI to commence in the very next month on the sanctioned loan amount.</p> <p>EMI commencement date shall be the earliest of the following:</p> <ol style="list-style-type: none"> 1) 19th month from the date of sanction (or) 2) The month subsequent to the month of final disbursement (or)
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	3) The month subsequent to the completion of the moratorium period (pre-emi period) as per the sanction terms.
For construction of house where land is already owned by the applicant and for repair, renovation/ Extension / Up gradation	EMI commencement date shall be the earliest of the following: 1) 19 th month from the date of sanction (or) 2) The month subsequent to the month of final disbursement (or) 3) The month subsequent to the completion of the moratorium period as per the sanction terms.
For purchase of flats in projects under construction	EMI commencement date shall be the earliest of the following: 1) 37 th month from the date of sanction (or) 2) The month subsequent to the month of final disbursement (or) 3) The month subsequent to the completion of the moratorium period as per the sanction terms.
For construction of commercial building/ complex / PG's / Studio apartments etc.	EMI commencement date shall be the earliest of the following: 1) 19 th month from the date of sanction (or) 2) The month subsequent to the month of final disbursement (or) 3) The month subsequent to the completion of the moratorium period as per the sanction terms.

b) Composite loan:

<ol style="list-style-type: none"> 1. PEMI shall invariably be paid at the site loan rate from the beginning on the amount disbursed for purchase of site. However, the customer shall have the option to commence EMI either on the site component of the loan amount or on the entire loan amount after disbursement of the loan. 2. If the disbursement towards construction is not availed within 18 months from the date of sanction: <ul style="list-style-type: none"> • The loan shall be converted to site loan immediately after completion of 18 months and EMI shall commence from the 19th month on the amount disbursed towards the site component. 3. In case the disbursement towards construction is availed within 18 months from the date of sanction, the EMI will be fixed on the sanctioned amount and the EMI commencement date shall be the earlier of the following: <ol style="list-style-type: none"> a. 37th month from the date of sanction (or) b. The month subsequent to the month of final disbursement (or) c. The month subsequent to the completion of the moratorium period as per the sanction terms. 4. The amount paid in excess in the initial stage shall be treated as prepayment and instalment shall be re-fixed for the balance amount for the balance period.

c) Personal loan / Mortgage loan / Loan against Rent Receivables (LRR) / CFHL-Nishchint / CFHL Top up Loan / Site Loan / other Staff Loans (Personal loan, 2/4 Wheler Loan, Dual Loan, Festival advance)

EMI to commence from the next month of availment of the first disbursement.

d) Flexi LAP

If the loan is availed in one lump sum.	EMI to begin in the very next month.
If the loan is availed in tranches (within 6 months).	Full EMI to start from the 3 rd month.

e) Loan for Children Education

EMI commencement date shall be the earliest of the following:

1. 13th month from the completion of the course or
2. Getting employment.
 - EMI is to be fixed upon completion of course based upon the income of the borrower and the student (if got appointment).
 - However, interest need to be serviced by the borrowers on monthly basis.

- vi. The EMI's shall be paid preferably through ECS/NACH.
- vii. Due date for payment of Principal: Part pre-payment towards the loan can be made as per the convenience of the customer, once the loan enters the EMI stage.
- viii. Procedure for advance intimation of the changes in the rate of Interest: Notice of change in the rate of interest (upward or downward revision) will be published on the website of the Company and on the notice board of the branches as and when ROI changes.
- ix. Whenever upward revision in the rate of interest for loans is effected, same is applicable to all loans including those already sanctioned and outstanding on the date of change in ROI. SMS on such increased ROI will be sent to the mobile number registered with the Company.
- x. In the case of loans where delinquencies occur – where repayments are not forthcoming, ECS/PDC's are returned, perfection of securities not completed within stipulated time, accounts reported in SMA category, then such accounts, at the discretion of the Company, will be reviewed at periodical intervals and will be re-risk rated (S1/S2/S3) as the case may be and ROI applicable to the respective risk category will be charged. Enhancement in the ROI, if any, consequent upon such risk rating will be communicated to the borrower by SMS alerts to the mobile number registered with the Company.

xi. Extension of tenure for loans:

Whenever there is any upward revision in ROI (SMS sent) as outlined in the above paras 13 & 14, borrower shall have the following options: -

- i) Agreeing to pay the applicable enhanced EMI prospectively or
- ii) Pay applicable lump sum prepayments (to be arrived/provided by the company) and continue same EMI.
- iii) Continue same EMI and extend the tenure of the loan subject to maximum tenure of 30 years or his/her reaching age of maximum 70, whichever is earlier. It shall be the responsibility of the borrower to visit/ contact the branch and opt any one of above 3 options in writing. If the borrower does not visit/ contact, then the option (iii) will be exercised by the company automatically /prospectively and SMS will be sent to his/her mobile no registered with the company.

- xii. Wherever there is any upward revision in the rate of interest, and the existing EMI is not sufficient to cover the interest, the borrower shall exercise any of the options available to him as mentioned above, immediately after receiving the SMS alert/ notices the Company's website/ notice board and ensure that the interest/ instalments are properly serviced. If the interest/ instalments are not serviced, the account will be classified as delinquent account which may get reflected in the credit profile of the customer in the Company/ credit information/ rating agencies.
- xiii. Whenever, downward revision is effected in the rate of interest (card rates for loans, same is applicable for new loans to be granted prospectively).

In respect of:

I. Loans availed before 01/04/2017:

- i) The borrowers who have availed loan before 01/04/2017 are given an option to switch over to the annual resetting mode by executing a link letter which forms a part of the loan documentation. The loan accounts of the borrowers who have executed link letter shall be risk rated and ROI will be automatically reset on 01/04/2018 without any interest adjustment charges(IAC). If the borrower executes the link letter at any time after 01/04/18, then the reset scheme will become applicable on anniversary basis, i.e. after one year from the date of submission of the link letter (without IAC).
- ii) Those borrowers who are willing to avail the benefit of prevailing card rate shall get their accounts risk rated and reset the ROI after payment of applicable interest adjustment charges (IAC). The ROI shall be reset effective from the month subsequent to the payment of IAC and the ROI will continue for one year from the date of reset.
- iii) If the borrower doesn't execute the link letter, the loan account shall not be eligible for the annual reset scheme and the account shall carry the existing rate till such time the borrower opts for annual resetting mode.

II. Loans availed on or after 01/04/2017:

The loan accounts are automatically covered under the new system of annual resetting of ROI according to the risk rating of the borrowers, on anniversary basis. During the anniversary period, in case of further reduction in ROI, the borrower has the option to get the benefit of the reduced rate after payment of applicable IAC. Such reduced rate will remain in force for one year from the date of such reset and account will become due for risk rating and reset of ROI after one year from that date.

7. Brief Procedure to be followed for Recovery of over dues

- i. Personal contacts / persuasion / follow up for recovery of installments / interest due.
- ii. If the borrower does not adhere to the repayment schedule, the Company shall follow normal legitimate recovery procedures like sending SMS alerts, telephone calls, emails, visiting the customer's residence/ office, re-possession etc. of the property without resorting to undue coercion. The Company is at liberty to publish the photographs of the defaulting borrowers/ guarantors in the Company's website/ Newspaper and other print/electronic media.
- iii. Restructuring / re-phasing of accounts wherever possible as per extant guidelines
- iv. Enforcement of Securities as per the provision of SARFAESI Act
- v. Recovery through legal methods

8. Issuing statement of account, balance confirmation, interest certificate etc.

The customer can verify and obtain the statement of his accounts from the customer portal in the website after duly registering his password with the concerned branch. The statement of account, interest paid certificate and other balance confirmation will be issued to the customer once in a year at the specific request of customer without any charges. However, if the customer requests for additional copies/duplicate certificates, the Company may at his discretion recover appropriate charges.

9. Customer Services

i. Visiting hours at the office :

Monday to Friday	- 10.00 A.M. to 5.00 P.M.
Saturday	- 10.00 A.M. to 12.00 P.M.
Lunch time	- 1.30 P.M. to 2.00 P.M.
All Sundays	- Holiday

ii. Details of the person to be contacted for customer service:

Name of the Manager / Officer: _____

iii. Procedure to obtain the following including time line therefor:

- 1) Loan account statement: Invariably on same day but not exceeding 3 working days. Loan account statement is also available through Customer Portal to be logged in through our website where borrower can view and take the print of loan statement after taking the username and password from the branches. The borrower can also make payment of loan instalments by accessing Company's website www.canfinhomes.com.
- 2) It is the borrower's responsibility to register the correct postal address, E-mail ID, Telephone Number & Mobile Number and any other means of communication with the relevant branch of the Company and intimate any changes and get the same registered in the relevant branch. Proper acknowledgement of intimation of such changes shall be obtained from the branch by the borrower.
- 3) SMS alerts will be sent to the customers wherever there is delay in payment of instalments for which customers should registered their mobile number at the time of sanction and intimate branches in writing, whenever there are changes in their mobile number.
- 4) The Company shall treat the information relating to customers as strictly confidential and shall not share any information, unless required under law or permitted by the customer.

10. Grievance Redressal Mechanism

The Company is having a systematic Grievance Redressal system. The Customer may refer to para-V of FPC and/or company's website www.canfinhomes.com for more details.

If the customers have any grievances, they can make a complaint in writing or email addressed to the concerned Branch Manager, quote the account number and gist of the complaint.

- i. Turn Around Time for resolving the issue: 15 days
- ii. Matrix for escalation: In case the grievance is not solved within 15 days, a copy of the complaint with acknowledgement may be forwarded to the following:

iii. E-mail ID: grievance.redressal@canfinhomes.com

iv. Contact Details: Redressal Officer, Complaint Redressal Officer, Can Fin Homes Ltd, No 29/1, Sir. M N Krishna Rao Road, Basavanagudi Bangalore.

In case that the complainant is dissatisfied with the response received/ or where no response is received, the complainant may approach the Compliant Redressal Cell, Department of Regulation and Supervision, National Housing Bank, 4th floor, Core 5A, India Habitat Centre, Lodhi Road, New Delhi- 110003 In case of any complaint, customers can also lodge a complaint in online mode at the link <http://grids.nhbonline.org.in> OR in offline mode by post, in prescribed format available at link <https://nhb.org.in/citizencharter/Complaintform.pdf/>. The complaint can also be e-mailed at crccell@nhb.org.in.

It is hereby agreed that for detail terms and conditions of the loan, the parties hereto shall refer to and rely on the loan and other security documents executed/to be executed by them.

The above terms and conditions have been read by the borrower/s/ read over the borrower by Shri/Smt/Km..... of the Company and have been understood by the borrower/s.

Sd/-

(Signature or thumb impression of the Borrower/s)

Sd/-

(Signature of the Authorised person of Lender)

Note: Duplicate copy of the MITC should be handed over to the borrower/s.