

Most Important Terms and Conditions

Varashakti Housing Finance Pvt. Ltd.

Major Terms and conditions of the loan agreed to between:

Applicant

Co-applicant

(Hereinafter individually and/or collectively referred as the "Borrower")

AND

Varashakti Housing Finance Pvt. Ltd. (VSHFPL)

Please find below a brief of the important terms and conditions pertaining to the above loan account:

1. Loan Details:-

Sanctioned Loan Amount	
Purpose of Loan (scheme)	
Type(Fixed or Floating or Dual/special Rate):	Fixed
Interest Chargeable	
APR %	
Tenure	
Installment Type	Monthly
Moratorium or subsidy	NA
Date of reset of interest	
Modes of communication of changes in interest rate(Tick the relevant mode)	Any change in interest rate would be duly communicated to the borrower at the contact details available with VSHFPL through SMS/E-mail/Courier or any other electronic mode prevalent for the time being.

Purpose of loan:

II. Fee and Other Charges

Login fee	Rs: 3000 + GST as applicable
Processing fee	2.5% + 18% GST of loan amount
During the term of the loan	
Tranche disbursement fee – For each Tranche	Rs: 500 + GST as applicable
Documentation charges	Rs: 500 + GST as applicable
Post Disbursement Document charges	As per sanction terms
Bounce Charges (NACH/PDC/ECS)	Rs: 500 + GST as applicable
Penal charges on delayed EMI payment	2% per month on the EMI amount
Fees for Pre-payment/foreclosure	Nil for home loan in case of loan closure by own funds. 4% for home loan in case of takeover by other Banks/FIs. 4% in case of all other loans other than home loans and small ticket business loan. 3% in case of small ticket business loan 4% if any loan account prepaid / pre-closed within 6 months of first disbursement.
Field visit charges	Rs: 100 + GST as applicable
SOA / Closure statement / Amortization chart charges	Rs: 250 + GST as applicable
MODT cancellation charges	Rs: 1000 + GST as applicable
Fees refundable if loan not Sanctioned/disbursed	Processing fee paid by customer for availing the loan is non- refundable
Conversion charges for switching from floating to fixed interest and vice versa	Not applicable

The details of applicable fee and other charges are mentioned in the Statement of charges enclosed as Annexure to MITC documents and also updated on our website <https://varashaktihousing.co.in/>

Taxes, duties, levies and Cess etc. Under the applicable laws as may be amended from time to time, would be charged over and above mentioned fees and/or charges. The charges are as on date and subject to change from time to time. The Company shall update the revised version on its website from time to time.

Detailed terms and conditions on the Fees, Charges, Cost and claims are mentioned in the Loan Agreement.

III. Security /Collateral for the Loan

Mortgage	
Guarantee	
Other security	

Security of the loan would generally be security interest on the property being financed and/or any other additional security in the nature of additional property/Guarantors as may be mandated by VSHFPL. Borrower/s are advised to refer the Loan Agreement and Sanction Letter to known the security details of the Loan sanctioned.

IV. Insurance of the property/Borrowers

The Borrower shall insure and keep insured the Property against fire and other customary risks and hazards, for a value as may be required by the VSHFPL, with an insurance company acceptable to VSHFPL. VSHFPL shall be made the sole beneficiary under the insurance policy.

Property Insurance

Borrowers Insurance

V. Conditions for Disbursement of the Loan

VSHFPL shall not disburse the loan or any installment thereof to the Borrower unless the conditions mentioned in the Housing Loan sanction letter and Loan Agreement are complied with, to the satisfaction and sole discretion of VSHFPL. A few of which are as given below:

- 1) The Borrower must fulfill the VSHFPL's requirement of creditworthiness.
- 2) Submit all relevant documents as mentioned in the sanction Letter/Loan Agreement
- 3) Execution of loan agreement and such other ancillary documents.
- 4) Submission of Post-dated cheques/ECS/NACH Mandates etc. towards repayment of installments.
- 5) Creation of security in favour of VSHFPL.
- 6) The Borrower must ensure that he has absolute, clear and marketable title to the property (security) and the said property is absolutely unencumbered and free from any liability whatsoever.
- 7) Intimate VSHFPL of any change in his employment / contact details.
- 8) Utilization of disbursement should be towards acquisition/ construction of property or as per the end use specified. In the construction cases, disbursement shall be linked to stage of construction.
- 9) The EMI shall be payable from the month in immediately following the month in which the complete disbursements are made. Till then PEMI is payable on monthly basis at the rate mentioned above on the amount disbursed. The EMI / PEMI are payable on the cycle date of every month failing which an overdue charges @ 2% p.m shall be chargeable on the PEMI/EMI amount for the delayed period.
- 10) No event of default shall have happened on the Loan. The Event of Defaults are mentioned in the Loan Agreement.
- 11) No circumstances shall have occurred, which in the opinion of VSHFPL may make it impossible for the Borrower to fulfill the obligations as per Loan Agreement and other standard documents executed by the Borrower for availing the loan.
- 12) NOC/Permission to mortgage etc. and creation of security

VI. Repayment of the Loan and Interest

The information on interest rate, pre-Equated Monthly Installment Interest (PEMI)/Equated monthly Installment (EMI) and number of installment, tenure of loan are mentioned in the sanction Letter provided to the Borrower. Any change in adjustable rate of interest/PEMI/EMI shall be informed to the borrower in advance as per the VSHFPL's Fair Practice Code at the contact details available with the VSHFPL. The Loan is required to be repaid in the prescribed EMI/PEMI on the due date as mentioned in the Loan Agreement.

The repayment of EMI/PEMI is mandated through NACH/ ECS/ Post- dated cheques in favour of VSHFPL.

The Borrower must ensure:

1. That sufficient fund is available in the designated Bank account of Borrower to be debited.
2. Not to cancel/put stop payment on the Cheques/Instruments given towards the repayment of EMI. Also, not to close or change the account upon which repayment instrument is drawn (unless he/she makes alternate arrangement for the repayment as agreeable to VSHFPL)
3. Not to cancel the NACH/E-NACH mandate given towards the repayment of EMI.
4. To pay the installment on or before the relevant due date, if not, the outstanding loan amount and all accrued interest would become immediately due and payable. The Borrower would also be liable to pay the fees as set out in the statement of Charges.
5. Detailed terms and conditions of repayment of loans are mentioned in of the Loan Agreement.
6. The borrowers also need to ensure that the payment of processing fee, EMIs etc are made to the authorised representatives of the Company and not to Direct Selling Agents (DSAs). The Company will not be responsible for such payments made.

VII. Brief procedure to be followed for Recovery of Overdues

In the event of default (i.e. if the amount outstanding in the loan account of the Borrower is not paid by the due date or in case of breach of any clause of the agreement), the Borrower would be sent reminder from time to time for payment of any outstanding on his loan account, by post, fax, telephone, e-mail, SMS and/or through third parties appointed for collection purposes to remind, followup and collect dues. The Collection methodology includes the following:

- a. Tele-Calling and Pick up: It involves contacting the Borrower over the phone and making them aware about the missed due date and requesting to pay the arrears at the earliest.
- b. Field Collection: It involves meeting the Borrower and collecting the payment of the amount due. The activity shall be carried out through employees of VSHFPL or authorized representatives. The payment would be collected either in cash or in the form of a cheque/DD and receipt will be issued to Borrower.
- c. Legal action shall be taken based on circumstances of each delinquent account, as per the policy of VSHFPL and pursuant to the provision of applicable laws.

Hence, VSHFPL shall use a judicious mix of field visit, written communication and legal action to ensure proper and effective coverage for the different category of delinquent account.

VIII. Date on which annual outstanding balance statement will be issued: On Customer's request.

IX. Customer Services

- A) Visiting hours – Branches :10AM-5PM, Mon-Fri (Except Public Holidays)
- B) For any service related issue including request for documents, Borrower can get in touch with the VSHFPL by:
 - (i) Email
 - (ii) Contacting the customer service executive at any of the branches
- C) Timelines for providing the following documents:
 - (i) Loan Account statement – 2 Days
 - (ii) Photocopy of the title document – 12 Days

(iii) Return of original documents on closure/transfer of the loan-25 Working Days

X. Grievance Redressal

Initial response to the complaint made either to the Branch or the Grievance Redressal Officer of the Company shall be given within 7 working days of receipt of complaint. After examining the matter, it would be VSHFPL's endeavor to provide the Borrower with the final response or inform about more time to respond, within a period of six (6) weeks from the receipt of such complaint/grievance.

Mr Balaji S

Grievance Redressal Officer
Varashakti Housing Finance Private Limited
New No.33, Old No. 14, 48th Street, 9th Avenue
Ashok Nagar, Chennai 600083
Phone: 044-43413260 Email: balaji.s@varashaktihousing.co.in

If the customer is not satisfied with the reply provided by the Company or in case no reply is received within the stipulated period, the customer may escalate the complaint to the National Housing Bank at the following address:

The General Manager
National Housing Bank
Department of Regulation and Supervision (Complaint Redressal Cell)
4th Floor, Core 5A, India Habitat Centre
Lodhi Road
New Delhi 110 003

The complaint may also be mailed at rcell@nhb.org.in

Such complaint may also be registered online with NHB at <https://grids.nhbonline.org.in>

It is hereby agreed that for detailed terms and conditions of the Loan, the parties hereto shall refer to and rely upon the Loan Agreement and other security documents executed/to be executed by them.

I/We the borrowers hereby confirm and declare that the above terms and conditions have been read by me/us/read over to me/us in my/our vernacular language by Mr./Ms. _____ of the Company. I/We have understood the term and conditions as mentioned above and agree, confirm and declare to abide by the same. I/We also acknowledge the receipt of a copy of Most Important Terms & conditions.

Applicant :	
Co-applicant :	

VARASHAKTI HOUSING FINANCE PVT. LTD.	Authorised Signatory:
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