

Most Important Terms and Conditions

The Most Important Terms and Conditions (“**MITC**”) sets out the summary of the key terms in respect of the credit line (“**Purchase Power**”) made available by Northeast Small Finance Bank Limited (hereinafter referred to as “**Lender**” or “**NESFB**” or “**Bank**”) to the Borrower referred to as (“**Borrower**”, or “Customer”, or “you”). Through the Digital Portal, the Borrower can request availing the Purchase Power from NESFB. The Purchase Power shall be approved or sanctioned at Bank’s sole discretion, based on the risk assessment conducted by the Bank.

The MITC shall be in addition to and not in derogation to any other terms as stipulated by the Bank, from time to time.

1. Definitions

“Purchase Power” refers to a credit line that grants the Borrower a maximum credit limit, as approved by the Bank, at any given time. This credit line is determined based on an evaluation of the Borrower's creditworthiness and is applicable to various credit products accessible through the Digital Portal. The Borrower may use this to make withdrawals and UPI payments to Merchants all within the approved credit limit, subject to the terms and conditions established by the Bank.

“Digital Portal” means any digital platform including any web or app-based platform operated by the Bank or any third party authorised by the Bank.

“Merchant” refers to an individual or business entity (represented by an authorized representative) that sells goods or services to customers and accepts payments in exchange for those goods or services inclusive of a marketplace and such Merchant should be onboarded with National Payments Corporation of India (NPCI) as a merchant.

All capitalized terms not defined herein will have the meaning as set out in the relevant Loan Terms, Mobile Banking Terms along with the applicable Annexures provided therein.

2. Approved Purchase Power:

This approved Purchase Power represents a combined credit limit for the slice Borrow, which includes both withdrawals to your bank account and UPI payments made to Merchants through the Digital Portal.

Please note that the Bank reserves the right to unconditionally cancel this approved Purchase Power at any time without prior notice. Additionally, the Bank may automatically cancel this Purchase Power if there is a deterioration in your creditworthiness, in accordance with applicable laws.

3. Usage of approved Purchase Power:

The approved Purchase Power may be availed by the Borrower in slice Borrow in the

following ways:

1. Withdrawal to bank account:

Any drawdown from the approved Purchase Power (hereinafter referred to as the “Loan”) at the request of the Borrower shall be directly disbursed by the Bank to the Borrower's designated bank account, subject to the terms and conditions set forth in the Terms of Service for Loans accessed through the Digital Portal, the Loan Agreement, the Sanction Letter, the Key Fact Statement, and the MITC (as applicable) (collectively, the “**Loan Terms**”).

2. UPI payments to Merchants:

The Borrower may utilize the approved Purchase Power linked to their UPI ID for making payments to Merchants. Each transaction with a Merchant under this facility shall be treated as a separate loan, with repayment obligations as specified in the Loan Terms.

This facility shall only be used for Peer to Merchant (P2M) transactions and is not permitted for Peer to Peer (P2P) or any other types of transactions.

By utilizing this facility, you acknowledge and agree that the “Credit Line on UPI Terms” apply and have been accepted by you.

4. **Conditions for approved Purchase Power:**

1. You agree and acknowledge that you are authorized to utilize slice Borrow, subject to the approved Purchase Power mentioned above.
2. The outstanding balance must not exceed the approved Purchase Power at any time. If this limit is breached, you will incur fees or charges at the prevailing rate, regardless of the amount by which the approved Purchase Power is exceeded. You are required to repay the excess amount immediately. Such fees or charges are subject to change at the Bank's sole discretion.
3. The available Purchase Power will be equivalent to the unutilized value of the approved Purchase Power at any point of time, after taking into account the balance outstanding and any transactions already implemented by you with any Merchant but not received by the Bank for processing as on that date.
4. The Bank shall, at its sole discretion, have the right to amend or revise the approved Purchase Power in accordance with its internal policies and risk assessment parameters. The Bank shall notify you of such revision from time to time. Any enhancement in the approved Purchase Power shall be affected only upon obtaining your consent. However, the Bank reserves the right, at its sole discretion, to reduce the approved Purchase Power and the same shall be notified to you.
5. The Bank reserves the right to unconditionally cancel this approved Purchase Power at any time without prior notice. Additionally, the Bank may automatically cancel or suspend or block this Purchase Power if there is a deterioration in your creditworthiness, in accordance with applicable laws. Such cancellation shall not relieve the Borrower of any obligation to repay the amounts drawn or availed under slice Borrow.

6. The Bank reserves the right to terminate the use of the approved Purchase Power at any time, without prior notice, if deemed necessary for business or security reasons. Such reasons may include, but are not limited to, the following: (i) delay in the payment of outstanding amounts; (ii) usage exceeding the approved credit limit; (iii) improper use of the approved Purchase Power; (iv) submission of misleading or incorrect information or documents during the onboarding process on the Digital Portal to avail slice Borrow (v) failure to provide information or documents as required by applicable laws, including identification documents, in accordance with the Bank's internal policies or as mandated by applicable laws; or (vi) involvement in any civil litigation or criminal proceedings by any authority, court of law, or professional body.
7. To ensure compliance with applicable laws and the Bank's internal policies, the Bank reserves the right to conduct periodic reviews of the approved Purchase Power usage. These reviews will aim to identify any instances of excessive utilization beyond the sanctioned limit, unusual or excessive transactions with select Merchants, potential collusion with Merchants, or the use of the Purchase Power for non-personal or business-related purposes. The Bank will also monitor for any misuse or overuse of features, offers, or programs intended to accumulate undue reward points, cashbacks, or other benefits. If the Bank suspects any such irregularities based on the usage patterns, it may take immediate restrictive actions on the approved Purchase Power. Such actions may include, but are not limited to, the withdrawal of features or benefits and the complete termination or blockage of the approved Purchase Power. In the event of such actions, it shall be the Borrower's responsibility to provide satisfactory evidence of legitimate usage to have the approved Purchase Power and associated features or benefits reinstated, at the Bank's discretion. The Bank's decision in this regard shall be final and binding on the Borrower.
8. The Bank shall report the Customer's Purchase Power usage and payment history on a periodical basis to Credit Information Companies (CIC) in accordance with applicable laws and regulations. The Customer acknowledges and consents that such information may be utilized by third parties for the purpose of conducting credit risk assessments.

5. REFUNDS AND CHARGEBACKS

Any refunds or reversal or chargebacks related to slice Borrow shall be governed by the terms outlined in your Loan Agreement, Sanction Letter, and Key Facts Statement (KFS), as applicable to your loan.

6. FEES AND CHARGES

The Fees and Charges outlined below shall apply to you from the date of the relevant transaction, which shall be: (i) in the case of a withdrawal to your bank account, from the date the loan is disbursed; or (ii) in the case of UPI payments made to Merchants, from the date of the transaction.

1. Annual Percentage Rate (APR):

APR means the effective annualized interest rate charged in relation to slice Borrow availed by the Borrower. The specific details in respect of the APR are provided in the key fact statement, sanction letter and loan agreement, for each loan availed by the Borrower.

2. Processing Fee

A Processing Fee may be charged by Lender, as processing fee for the slice Borrow availed by the Borrower. The same shall be communicated to the Borrower in the KFS (key fact statement).

3. Penal Charges

In case of any delays by the Borrower in making payment of any outstanding dues will levy penal charges.

Please refer to KFS for the details of penalty charges.

4. Prepayment Charges

At the request of the Borrower, the Lenders may accept the request for full or partial prepayment of the outstanding dues of the Borrower, subject to payment of applicable charges (if any).

7. RATE OF INTEREST

The interest on the loan will be payable as per the interest rate communicated under the KFS, sanction letter and the loan agreement as per the accepted Loan Terms. NESFB, subject to applicable directives of the Reserve Bank of India are entitled to revise the rate of interest and the Borrower hereby agrees to be bound by such revised or modified rate of interest upon intimation made by NESFB of any such revision or modification.

8. REPAYMENTS

All payments due will be either debited from the registered bank account of the borrower or paid by the Borrower in such other manner as may be acceptable to NESFB.

9. AMENDMENTS

The MITC is subject to change at the discretion of NESFB, from time to time. Such changes will be communicated to the Borrower on the Borrower's registered Email ID or through any other modes of communication. The Borrower agrees that these changes will be binding on Borrower in case the Borrower chooses to continue undertaking transactions through this Digital Portal after the date of intimation of such changes to the Borrower or if the Borrower agrees to such changes through the Digital Portal.

10. ENTIRE UNDERSTANDING

The MITC sets out only the summary of the key terms governing the slice Borrow, and

should be read along with the following documents:

1. Relevant Sanction Letter issued by the Lenders to the Borrower, Loan Agreement, Key Facts Statement (“**Loan Terms**”).
2. Mobile Banking Terms along with the applicable Annexures provided therein.

11. GRIEVANCE REDRESSAL PROCESS

In case of any grievance, the Borrowers can reach out to the grievance redressal officer of NESFB. The details of grievance redressal officer and Nodal Officers appointed by NESFB are set out below:

Mr. Aashish Saxena

Designation: Grievance Redressal

Officer Contact no: +91 8069390473

Email: customergrievance@nesfb.com

Ms. Swetha S

Designation: Principal Nodal Officer

Contact no: +91 8048318328

Email: principal.nodalofficer@nesfb.com