



महाराष्ट्र MAHARASHTRA

2023

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 उद्देश्य के अन्तर्गत उक्त न्यायिक परिणाम कार्यात्मक भाग का विकास महामंडल मर्यादित मुंबई
 मूल्य वसी जीवी मुंबई
 प्रमाणित करने के लिए CNH इंडस्ट्रियल कैपिटल इ.पी. लि.
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Memorandum of Understanding

For collaboration working with
ANNA SAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL MARYADIT MUMBAI
 ("Scheme")

This Memorandum of Understanding ("MoU") is executed on 15th day of Jan 2024, between **Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit** (hereinafter referred to as "**APAM**") and **CNH Industrial Capital (India) Private Limited** (CIN- U65999DL2017PTC325228), a body incorporated under the Indian Companies Act, 1956 / 2013, having its registered office at **4th Floor Rectangle No.1, Behind Marriot Hotel, Commercial Complex D4, Saket New Delhi, South Delhi**

For CNH Industrial Capital (India) Private Limited



DL- 110017, (hereinafter referred to as "**CNHIC**"), for arriving at a synergy between the policies hereto with following terms:

1. APAM being the implementation agency for the aforementioned scheme (Yojana) launched by the Government of Maharashtra, for the benefit of Economically Backward Class Youth in the State of Maharashtra, on 21st November 2017 as follows:
 - a) INDIVIDUAL LOAN INTEREST REIMBURSEMENT SCHEME (IR-I).
 - b) GROUP LOAN INTEREST REIMBURSEMENT SCHEME (IR-II).

The concerned GR and working guidelines attached are given herewith as Annexure-I and Annexure-II.

2. The implementation of scheme has started on 2nd February 2018 and a state-wide response from beneficiaries is evident on the website of APAM (www.udyog.mahaswayam.in).
3. As a part of implementation, every youth registered under the scheme, after submission of basic details like proof of residence, AADHAR card copy and family income proofs gets a "Letter of Intent" from APAM, confirming his or her eligibility to get full reimbursement of interest on loan taken from any CIBIL compliant Bank/ select Non-Banking Finance Company (NBFC) in the State of Maharashtra with limitation of quantum of loan, period of loan and rate of interest as given for each scheme.

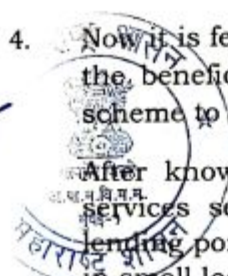
- However, it was observed in 2021 that some NBFCs are charging much higher rate of interest than the rate of interest at which the APAM reimburses to the beneficiaries that is at the rate of 12% p.a. At a result of full which beneficiary has to bear the additional ROI over and above 12% as a result of which he/her actual deprived of most of the benefit. It was therefore necessary by the Government and the APAM to exclude all NBFCs from this schemes w.e.f. 1st November 2021.

4. Now it is felt necessary that some NBFCs who are willing to provide Finance to the beneficiaries at interest rate of 12% p.a. or less can be allowed in the scheme to provide finance.

After knowing the features of the Scheme, it is also felt by the financial services sector that the scheme would not only boost the priority sector lending portfolio but also reduce the number of non-performing assets arising in small loans. Therefore, some NBFCs have approached the APAM and shown interest to provide finance to the beneficiaries at an interest rate of 12% or less.

- Considering the growing number of beneficiaries and willingness of the

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beneficiaries to take loan from NBFCs. If it is available at Interest rate of 12% or less the APAM has decided to consider the proposal of NBFCs in the correct perspective and therefore the matter was discussed in the Board of Directors Meeting (BOD) and the BOD has resolved to allow those NBFCs who have accepted to provide loans to the beneficiaries at Interest rate of 12% p.a. or less. Therefore, in order to facilitate the beneficiaries to avail loan/ finance at a reasonable IRR and with minimum documentation, overcoming procedurally delay, it is felt necessary to spell out in writing the terms & conditions of such finance by the NBFCs who are willing to provide loan/ finance at interest rate 12% p.a or less. Hence, that MOU is entered into.

Considering the above, the parties hereto decide to work together on the following lines.

- a. APAM would identify Economically Backward Class (EBC) persons (their family income being less or up to 8 lakhs per financial year) needing financial help for starting new enterprises or expanding existing ventures.
- b. APAM after basic compliances required under the Scheme would issue an LOI with supporting evidence thereto (as given by the beneficiary).
- c. When a beneficiary approach CNHiC with LOI and documents thereto, CNHiC shall verify the EBC status and evaluate the project proposal according to its norms and procedures and for approved projects /cases shall lend money as per its usual terms and conditions but at interest rate of not more than 12% p.a. in any case and without any additional or hidden charges by whatever them called, by issuing a sanction letter to be given to customer/ beneficiary for uploading on APAM website.
- d. CNHiC shall also provide EMI schedule and a certified copy of statement of loan as a proof of disbursement to assist APAM to verify whether the payment has been actually made to the beneficiary/ borrower of the scheme or entity who is set received advantages or asset in beneficiaries.
- e. As and when the borrower pays term loan installments along with interest, CNHiC would provide the certified receipt and statement of transaction as proof of payment. CNHiC will be responsible for provides to beneficiaries.

Upon receipt of these proofs, APAM would as per the set process and rates transfer the interest amount reimbursement to the designated account of the beneficiary if the installment/ interest is seen to be paid in time as per Government Resolution, Guidelines as expected under loan conditions. The loan repayment frequency can be monthly, quarterly, half-yearly or yearly, which shall be at the discretion of CNHiC.

- g. Knowing the fact that such a reimbursement being a performance-based encouragement to the deserving EBC Entrepreneurs would result in enhancement of repayment capabilities of the borrowers, which would encourage priority sector' financial transactions with

For CNH Industrial Capital (India) Private Limited



Authorized Signatory

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15-Jan-24
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more safety to the lending institutions. CNHiC wishes to join the scheme as a partner and agrees to review proposals under the Scheme on priority basis.

h. It is understood that the LOI is neither a recommendation nor a mandate of any nature but a statement of eligibility under the scheme, hence, CNHiC would evaluate each proposal as per the normal lending policy followed for priority sector lending. In the interest of both the parties, LOI holders' proposals shall be considered by CNHiC on priority basis, as per guidelines of the Scheme, only the interest component would be reimbursed by APAM, as a relief. Notwithstanding anything contained in this MoU, CNHiC shall disburse the loan at its sole discretion after scrutinizing the eligibility of the customer. The add-on products/offers such as 'loan protector' and 'health insurance' can be added as an add-on to the loan amount on the request of the beneficiary

i. It is agreed and understood between the parties hereto that the collaborative working expected under this agreement is primarily for promotion of economically backward class of society and both the parties do not wish to treat it as a commercial scheme, hence CNHiC would not believe in charging any other charges (like account maintenance, minimum balance, hidden charges, statement charges, etc.) to these beneficiaries account, except for charges like processing charges, scheme documentation and due diligence charges, statutory charges, interest on loan, delayed charges on repayment of loan and cheque bouncing charges etc. All these charges shall be equal or not more than Nationalized bank charges.

j. NBFC shall be responsible for the work and processing by its authorized branches and in case of any financial irregularity or transaction in contradiction to the it's official policy shall be dealt with by the NBFC and the APAM shall not be responsible for any loss or otherwise harassment etc. caused to the beneficiary. due to such act by the branches or employees of CNHiC etc.

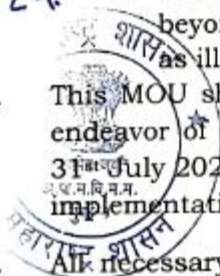
k. If in any case, without corporation's permission, IRR increased beyond 12% p.a. in loan repayment life cycle, then it shall be treated as illegal and shall not be implemented.

5. This MOU shall come into effect from the date of signing. Further, it is the endeavor of the parties hereto that this understanding will continue till the 31st July 2024 and may be extended further the consent of both the parties. of implementation of the APAM Scheme.

6. All necessary expenses for the performance of individual responsibilities of parties hereto shall be incurred by them on their own, unless specifically being understood to be otherwise.

7. No party shall make use of each other's logo and/or brand and/or intellectual property for any purpose without prior written permission of the individual Party. However, the beneficiary of the scheme is allowed to use the assistance from APAM as inscribed on their business set up display as in support from Annasaheb Patil Arthik Vikas Mahamandal Maryadit, Mumbai.

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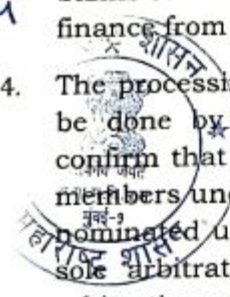
Annasaheb Patil Arthik Vikas Mahamandal Maryadit, Mumbai.
Authorized Signatory

8. Any provision under this MoU is found or proved to be illegal or invalid, then only that provision or part of the provision shall be treated as null and void and remaining part shall be considered as enforceable and valid.
9. Any amendment to this MoU shall be carried out in writing duly authenticated and executed by all the parties.
10. This MoU may be terminated by any one of the parties giving a written notice of three months to other party specifically disclosing the intention to withdraw from the MOU. However, it is not expected that either of the party withdraws from the commitments, which may result in any kind of tangible loss to the beneficiaries and the other party.
11. CNHiC should provide monthly/ Quarterly Audit data regarding APAM Beneficiaries.
12. CNHiC reiterates that for the loans funded under this Scheme for Commercial tractor, Transport vehicles, CV, etc., the interest rate shall be maximum at IRR 12% (twelve percent) per annum and the other charges as per the respective terms of the loan agreement (strictly in compliance with the terms mentioned in point no 4(i) of this MOU entered with the member under the Scheme. There shall be no hidden charges and all charges shall be reflected in schedule of charges. In the event there is any increment in the interest reimbursement beyond 12% by APAM, then CNHiC shall write to APAM and take written permission to allow/ add increase IRR under Reimbursement scheme.
13. The MoU is only a measure to facilitate the beneficiaries to avail loan/ finance at a reasonable Rate of interest and with minimum documentation and overcoming procedural delay, and it shall NOT any way restrict any beneficiary to take finance from any financial institutions, banks, co-operative banks etc. The beneficiaries are free to approach and avail themselves of loan/ finance from any other financial institutions, banks, co-operative banks etc.
14. The processing of applications for the loans granted under this Scheme shall be done by CNHiC regional offices in Maharashtra. Both parties further confirm that in the event of any dispute arising out of this MoU for referring members under the Scheme shall be referred to arbitration of a sole arbitrator nominated upon mutual consent of both the parties. The award given by the sole arbitrator shall be final and binding on the parties. The venue of arbitration proceedings shall be Mumbai.
15. It again reiterated that this MOU is only a measure to facilitated the beneficiaries,
16. The jurisdiction for the performance of this MOU shall be the state of Maharashtra.



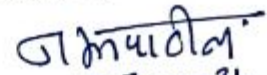


For CNHi Industrial Capital (India) Private Limited


Authorised Signatory

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15-Jan-24
li.



In witness whereof the parties hereto have set their respective hands and seals on the date mentioned herein above.

<p>CNH Industrial Capital India Private Limited (CNHiC)</p> <p>For CNH Industrial Capital (India) Private Limited</p> <p>By: </p> <p>Authorized Signatory</p> <p>Name: Kashinath Bhagwat</p> <p>Title: State Head</p> <p>Maharashtra.</p> <p>Witness: </p>	<p>Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit (APAM)</p> <p>By: </p> <p>15-Jan-24</p> <p>Name: <u>Narendras A. Patil</u></p> <p>Title :</p> <p>Witness: </p> 
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महाराष्ट्र MAHARASHTRA

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Memorandum of Understanding

For collaboration working with
ANNASAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL
MARYADIT MUMBAI
 ("Scheme")

This Memorandum of Understanding ("MOU") is executed on ___ day of 2024, between **Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit** (hereinafter referred to as "APAM") and **HDB Financial Services Ltd. (CIN) U65993GJ2007PLC051028**, a body incorporated under the Indian Companies Act, 1956 / 2013, having its registered office at **HDB Financial Services Ltd., Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad-380009**, (hereinafter referred to as "HDBFS"), for arriving at a synergy between the policies

hereto with following terms:

HDB Financial Services Ltd.

[Signature]
 Authorised Signatory

[Signature]
 15-Jan-24



1. APAM being the implementation agency for the aforementioned scheme (Yojana) launched by the Government of Maharashtra, for the benefit of Economically Backward Class Youth in the State of Maharashtra, on 21st November 2017 as follows:
 - a) INDIVIDUAL LOAN INTEREST REIMBURSEMENT SCHEME (IR-I).
 - b) GROUP LOAN INTEREST REIMBURSEMENTS SCHEME (IR-II).

The concerned GR and working guidelines attached are given herewith as Annexure-I and Annexure-II.

2. The implementation of scheme has started on 2nd February 2018 and a state-wide response from beneficiaries is evident on the website of APAM (www.udyog.mahaswayam.in).
3. As apart of implementation, every youth registered under the scheme, after submission of basic details like proof of residence, AADHAR card copy and family income proofs gets a "Letter of Intent" from APAM, confirming his or her eligibility to get full reimbursement of interest on loan taken from any CIBIL compliant Bank/ select Non-Banking Finance Company (NBFC) in the State of Maharashtra with limitation of quantum of loan, period of loan and rate of interest as given for each scheme.

- However, it was observed in 2021 that some NBFCs are charging much higher rate of interest than the rate of interest at which the APAM reimburses to the beneficiaries that is at the rate of 12% p.a. At a result of full which beneficiary has to bear the additional ROI over and above 12% as a result of which he/her actual deprived of most of the benefit. It was therefore necessary by the Government and the APAM to exclude all NBFCs from this schemes w.e.f. 1st November 2021.

4. Now it is felt necessary that some NBFCs who are willing to provide Finance to the beneficiaries at interest rate of 12% p.a. or less can be allowed in the scheme to provide finance.

After knowing the features of the Scheme, it is also felt by the financial services sector that the scheme would not only boost the priority sector lending portfolio but also

HDB Financial Services Ltd.


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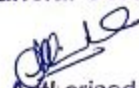
reduce the number of non-performing assets arising in small loans. Therefore, some NBFCs have approached the APAM and shown interest to provide finance to the beneficiaries at an interest rate of 12% or less.

- Considering the growing number of beneficiaries and willingness of the beneficiaries to take loan from NBFCs. If it is available at Interest rate of 12% or less the APAM has decided to consider the proposal of NBFCs in the correct perspective and therefore the matter was discussed in the Board of Directors Meeting (BOD) and the BOD has resolved to allow those NBFCs who have accepted to provide loans to the beneficiaries at Interest rate of 12% p.a. or less. Therefore, in order to facilitate the beneficiaries to avail loan/ finance at a reasonable IRR and with minimum documentation, overcoming procedurally delay, it is felt necessary to spell out in writing the terms & conditions of such finance by the NBFCs who are willing to provide loan/ finance at interest rate 12% p.a or less. Hence, that MOU is entered into.

Considering the above, the parties here to decide to work together on the following lines.

- a. APAM would identify Economically Backward Class (EBC) persons (their family income being less or up to 8 lakhs per financial year) needing financial help for starting new enterprises or expanding existing ventures.
- b. APAM after basic compliances required under the Scheme would issue an LOI with supporting evidence thereto (as given by the beneficiary).
- c. When a beneficiary approach **HDBFS** (NBFC) with LOI and documents thereto, **HDBFS** (NBFC) shall verify the EBC status and evaluate the project proposal according to its norms and procedures and for approved projects /cases shall lend money as per its usual terms and conditions but at interest rate of not more than 12% p.a. in any case and without any additional or hidden charges by whatever them called, by issuing a sanction letter to be given to customer/ beneficiary for uploading on APAM website.
- d. **HDBFS** NBFC shall also provide EMI schedule and a certified copy of statement of loan as a proof of disbursement to assist APAM to verify whether the payment has been actually made to the beneficiary/ borrower of the scheme or entity who is set received advantages or asset in beneficiaries.

HDB Financial Services Ltd.


Authorised Signatory

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- e. As and when the borrower pays term loan installments along with interest, **HDBFS** NBFC would provide the certified receipt and statement of transaction as proof of payment. NBFC will be responsible for provides to beneficiaries.
- f. Upon receipt of these proofs, APAM would as per the set process and rates transfer the interest amount reimbursement to the designated account of the beneficiary if the installment / interest is seen to be paid in time as per Government Resolution, Guidelines as expected under loan conditions. The loan repayment frequency can be monthly, quarterly, half-yearly or yearly, which shall be at the discretion of **HDBFS** (NBFC).
- g. Knowing the fact that such a reimbursement being a performance-based encouragement to the deserving EBC Entrepreneurs would result in enhancement of repayment capabilities of the borrowers, which would encourage priority sector financial transactions with more safety to the lending institutions. **HDBFS** (NBFC) wishes to join the scheme as a partner and agrees to review proposals under the Scheme on priority basis.
- h. It is understood that the LOI is neither a recommendation nor a mandate of any nature but a statement of eligibility under the scheme, hence, **HDBFS** (NBFC) would evaluate each proposal as per the normal lending policy followed for priority sector lending. In the interest of both the parties, LOI holders' proposals shall be considered by **HDBFS** (NBFC) on priority basis, as per guide lines of the Scheme, only the interest component would be reimbursed by APAM, as a relief. Notwithstanding anything contained in this MoU, **HDBFS** (NBFC) shall disburse the loan at its sole discretion after scrutinizing the eligibility of the customer. The add-on products /offers such as 'loan protector' and 'health insurance' can be added as an add-onto the loan amount on the request of the beneficiary
- i. It is agreed and understood between the parties hereto that the collaborative working expected under this agreement is primarily for promotion of economically backward class of society and both the parties do not wish to treat it as a commercial scheme, hence **HDBFS** (NBFC) would not believe in charging any other charges (like account maintenance, minimum balance, hidden charges, statement charges, etc.) to these beneficiaries account, except for charges like processing charges, scheme documentation and due

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15-Jan 24



HDB Financial Services Ltd.

[Signature]
Authorised Signatory

diligence charges, statutory charges, interest on loan, delayed charges on repayment of loan and cheque bouncing charges etc. All these charges shall be equal or not more than Nationalized bank charges.

- j. NBFC shall be responsible for the work and processing by its authorized branches and in case of any financial irregularity or transaction in contradiction to the it's official policy shall be dealt with by the NBFC and the APAM shall not be responsible for any loss or otherwise harassment etc. caused to the beneficiary. due to such act by the branches or employees of NBFC etc.
- k. If in any case, without corporation's permission, IRR increased beyond 12% p.a. in loan repayment life cycle, then it shall be treated as illegal and shall not be implemented
5. This MOU shall come into effect from the date of signing. Further, it is the endeavor of the parties hereto that this understanding will continue till the 31st July 2024 and may be extended further the consent of both the parties. of implementation of the APAM Scheme.


6. All necessary expenses for the performance of individual responsibilities of parties hereto shall be incurred by them on their own, unless specifically being understood to be otherwise.

No party shall make use of each other's logo and / or brand and/or intellectual property for any purpose without prior written permission of the individual Party. However, the beneficiary of the scheme is allowed to use the assistance from APAM as inscribed on their business set up display as in support from Annasaheb Patil Arthik Vikas Mahamandal Maryadit, Mumbai.

Any provision under this MoU is found or proved to be illegal or invalid, then only that provision or part of the provision shall be treated as null and void and remaining part shall be considered as enforceable and valid.

9. Any amendment to this MoU shall be carried out in writing duly authenticated and executed by all the parties.
10. This MoU may be terminated by any one of the parties giving a written notice of three months to other party specifically disclosing the intention to withdraw from the MOU. However, it is not expected that either of the party

HDB Financial Services Ltd.


Authorized Signatory

15-Jan 24



withdraws from the commitments, which may result in any kind of tangible loss to the beneficiaries and the other party.

11. NBFC should provide monthly/ Quarterly Audit data regarding APAM Beneficiaries.

12. **HDBFS** (NBFC) reiterates that for the loans funded under this Scheme for Commercial tractor, Transport vehicles, CV, etc., the interest rate shall be maximum at IRR 12% (twelve percent) per annum and the other charges as per the respective terms of the loan agreement (strictly in compliance with the terms mentioned in point no 4(i) of this MOU entered with the member under the Scheme. There shall be no hidden charges and all charges shall be reflected in schedule of charges. In the event there is any increment in the interest re-imburement beyond 12% by APAM, then **HDBFS** (NBFC) shall write to APAM and take written permission to allow/ add increase IRR under Reimbursement scheme.

13. The MoU is only a measure to facilitate the beneficiaries to avail loan/ finance at a reasonable Rate of interest and with minimum documentation and overcoming procedural delay, and it shall NOT any way restrict any beneficiary to take finance from any financial institutions, banks, co-operative banks etc. The beneficiaries are free to approach and avail themselves of loan/ finance from any other financial institutions, banks, co-operative banks etc.

The processing of applications for the loans granted under this Scheme shall be done by **HDBFS** (NBFC) regional offices in Maharashtra. Both parties further confirm that in the event of any dispute arising out of this MoU for referring members under the Scheme shall be referred to arbitration of a sole arbitrator nominated upon mutual consent of both the parties. The award given by the sole arbitrator shall be final and binding on the parties. The venue of arbitration proceedings shall be Mumbai.

15. It again reiterated that this MOU is only a measure to facilitated the beneficiaries,

16. The jurisdiction for the performance of this MOU shall be the state of Maharashtra.

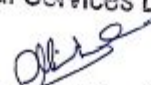
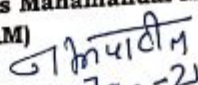

HDB Financial Services Ltd.


Authorised Signatory

GT मुद्रीत
15 Jan 24



In witness where of the parties hereto have set their respective and sand seals on the date mentioned herein above.

<p>HDBFS (NBFC) HDB Financial Services Ltd.</p> <p>By:  Authorised Signatory</p> <p>Name:.....</p> <p>Title:.....</p> <p>Witness:</p>	<p>Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit (APAM)</p> <p>By:  15-Jan-24.</p> <p>Name: Narendra A. Paki</p> <p>Title:.....</p> <p>Witness: </p>
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महाराष्ट्र MAHARASHTRA

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प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क. ८००००२७

28 DEC 2023

समक्ष अधिकारी

श्रीमती लोचना सरमळकर

This Stamp paper is part and parcel of MOU
between Annasaheb Patil Arthik Magas Vilkas
Mahamandal Maryadit (CAPAM) and Mahindra
& Mahindra financial Services Ltd. (MMFSL)

ज.म.वि.क.
15-Jan-24



Memorandum of Understanding

For collaboration working with
ANNASAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL MARYADIT MUMBAI
("Scheme")

This Memorandum of Understanding ("MoU") is executed on 15th day of January 2024, between **Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit** (hereinafter referred to as "APAM") and **Mahindra and Mahindra Financial Services Limited (CIN L65921MH1991PLC059642)**, a corporate body incorporated under the Indian Companies Act, 1956, having its registered office at Gateway Building, Apollo Bunder, Mumbai - 400001, (hereinafter referred to as "MMFSL"), for arriving at a synergy between the policies hereto with following terms:



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1. APAM being the implementation agency for the aforementioned scheme (Yojana/ Scheme) launched by the government of Maharashtra, for the benefit of economically backward class youth in the state of Maharashtra, on 21st November 2017 as follows:
 - a) INDIVIDUAL LOAN INTEREST REIMBURSEMENT SCHEME (IR-I).
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3. As a part of implementation, every youth registered under the scheme, after submission of basic details like proof of residence, AADHAR card copy and family income proofs gets a "Letter of Intent" from APAM, confirming his or her eligibility to get full reimbursement of interest on loan taken from any CIBIL compliant bank/ select non-banking finance company (NBFC) in the state of Maharashtra with limitation of quantum of loan, period of loan and rate of interest as given for each scheme. However, it was observed in 2021 that some NBFCs are charging much higher rate of interest than the rate of interest at which the APAM reimburses to the beneficiaries that is at the rate of 12% p.a. At a result of full which beneficiary has to bear the additional ROI over and above 12% as a result of which he her actual deprived of most of the benefit. It was therefore necessary by the Government and the APAM to exclude all NBFCs from this Scheme w.e.f. 1st November 2021.
4. Now it is felt necessary that some NBFCs who are willing to provide finance to the beneficiaries at interest rate of 12% p.a. or less can be allowed in the scheme to provide finance. After knowing the features of the Scheme, it is also felt by the financial services sector that the scheme would not only boost the priority sector lending portfolio but also reduce the number of non-performing assets arising in small loans. Therefore, some NBFCs have approached the APAM and shown interest to provide finance to the beneficiaries at an interest rate of 12% or less. Considering the growing number of beneficiaries and willingness of the beneficiaries to take loan from NBFCs. If it is available at interest rate of 12% or less the APAM has decided to consider the proposal of NBFCs in the correct perspective and therefore the matter was discussed in the board of directors meeting (BOD) and the BOD has resolved to allow those NBFCs who have accepted to provide loans to the beneficiaries at interest rate of 12% p.a. or less. Therefore, in order to facilitate the beneficiaries to avail loan/ finance at a reasonable IRR and with minimum documentation, overcoming procedurally delay, it is felt necessary to spell out in writing the terms & conditions of such finance by the NBFCs who are willing to provide loan/ finance at interest rate 12% p. a. or less. Hence, that MOU is entered into. Considering the above, the parties hereto decide to work together on the following lines.


- a. APAM would identify Economically Backward Class (EBC) persons (their family income being less or up to 8 lakhs per financial year) needing financial help for starting new enterprises or expanding existing ventures.
- b. APAM after basic compliances required under the Scheme would issue an LOI with supporting evidence thereto (as given by the beneficiary).

When a beneficiary approach MMFSL with LOI and documents thereto, MMFSL shall verify the EBC status and evaluate the project proposal according to its norms and procedures and for approved projects /cases



shall lend money as per its usual terms and conditions but at interest rate of not more than 12% p.a. in any case and without any additional or hidden charges by whatever they called, by issuing a sanction letter to be given to customer/ beneficiary for uploading on APAM website.

- d. MMFSL shall also provide EMI schedule and a certified copy of statement of loan as a proof of disbursement to assist APAM to verify whether the payment has been actually made to the beneficiary/ borrower of the scheme or entity who is set to receive advantages or asset in beneficiaries.
- e. As and when the borrower pays term loan installments along with interest, MMFSL would provide the certified receipt and statement of transaction as proof of payment.
- f. Upon receipt of these proofs, APAM would as per the set process and rates transfer the interest amount reimbursement to the designated account of the beneficiary if the installment/ interest is seen to be paid in time as per government resolution, guidelines as expected under loan conditions. The loan repayment frequency can be monthly, quarterly, half-yearly or yearly, which shall be at the discretion of MMFSL.
- g. Knowing the fact that such a reimbursement being a performance-based encouragement to the deserving EBC entrepreneurs would result in enhancement of repayment capabilities of the borrowers, which would encourage priority sector financial transactions with more safety to the lending institutions. MMFSL wishes to join the scheme as a partner and agrees to review proposals under the Scheme on priority basis.
- h. It is understood that the LOI is neither a recommendation nor a mandate of any nature but a statement of eligibility under the scheme, hence, MMFSL would evaluate each proposal as per the normal lending policy followed for priority sector lending. In the interest of both the parties, LOI holders' proposals shall be considered by MMFSL on priority basis, as per guidelines of the Scheme, only the interest component would be reimbursed by APAM, as a relief. Notwithstanding anything contained in this MoU, MMFSL shall disburse the loan at its sole discretion after scrutinizing the eligibility of the customer. The add-on products/offers such as 'loan protector' and 'health insurance' can be added as an add-on to the loan amount on the request of the beneficiary.
- i. It is agreed and understood between the parties hereto that the collaborative working expected under this agreement is primarily for promotion of economically backward class of society and both the parties do not wish to treat it as a commercial scheme, hence MMFSL would not believe in charging any other charges (like account maintenance, minimum balance, hidden charges, statement charges, etc.) to these beneficiaries account, except for charges like processing charges, scheme documentation and due diligence charges, statutory charges, interest on loan, delayed charges on repayment of loan and cheque bouncing charges etc. All these charges shall be equal or not more than nationalized bank charges.
- j. NBFC shall be responsible for the work and processing by its authorized branches and in case of any financial irregularity or transaction in contradiction to the it's official policy shall be dealt with by the NBFC and the APAM shall not be responsible for any loss or otherwise harassment etc. caused to the beneficiary. due to such act by the branches or employees of NBFC etc.
- k. If in any case, without corporation's permission, IRR increased beyond 12% p.a. in loan repayment life cycle, then it shall be treated as illegal and shall not be implemented.

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5. This MOU shall come into effect from the date of signing. Further, it is the endeavor of the parties hereto that this understanding will continue till the 31st July 2024 and may be extended further upon the consent of both the parties of implementation of the APAM Scheme.
6. All necessary expenses for the performance of individual responsibilities of parties hereto shall be incurred by them on their own, unless specifically being understood to be otherwise.
7. No party shall make use of each other's logo and/or brand and/or intellectual property for any purpose without prior written permission of the individual party. However, the beneficiary of the scheme is allowed to use the assistance from APAM as inscribed on their business set up display as in support from Annasaheb Patil Arthik Vikas Mahamandal Maryadit, Mumbai.
8. Any provision under this MoU is found or proved to be illegal or invalid, then only that provision or part of the provision shall be treated as null and void and remaining part shall be considered as enforceable and valid.
9. Any amendment to this MoU shall be carried out in writing duly authenticated and executed by all the parties.
10. This MoU may be terminated by any one of the parties giving a written notice of three months to other party specifically disclosing the intention to withdraw from the MOU. However, it is not expected that either of the party withdraws from the commitments, which may result in any kind of tangible loss to the beneficiaries and the other party.
11. NBFC should provide monthly/ quarterly audit data regarding APAM beneficiaries.
12. MMFSL reiterates that for the loans funded under this Scheme for commercial tractor, transport vehicles, CV, etc., the interest rate shall be maximum at IRR 12% (twelve percent) per annum and the other charges as per the respective terms of the loan agreement (strictly in compliance with the terms mentioned in point no 4(i) of this MOU entered with the member under the Scheme). There shall be no hidden charges and all charges shall be reflected in schedule of charges. In the event there is any increment in the interest re-imbursement beyond 12% by APAM, then MMFSL shall write to APAM and take written permission to allow/ add increase IRR under this reimbursement scheme.
13. The MoU is only a measure to facilitate the beneficiaries to avail loan/ finance at a reasonable rate of interest and with minimum documentation and overcoming procedural delay, and it shall NOT any way restrict any beneficiary to take finance from any financial institutions, banks, co-operative banks etc. The beneficiaries are free to approach and avail themselves of loan/ finance from any other financial institutions, banks, co-operative banks etc.
14. The processing of applications for the loans granted under this Scheme shall be done by MMFSL regional offices in Maharashtra. Both parties further confirm that in the event of any dispute arising out of this MoU for referring members under the Scheme shall be referred to arbitration of a sole arbitrator nominated upon mutual consent of both the parties. The award given by the sole arbitrator shall be final and binding on the parties. The venue of arbitration proceedings shall be Mumbai.

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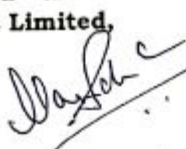


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15. It is again reiterated that this MOU is only a measure to facilitate the beneficiaries.
16. The jurisdiction for the performance of this MOU shall be the state of Maharashtra.

In witness whereof the parties hereto have set their respective hands and seals on the date mentioned herein above.

<p>Mahindra and Mahindra Financial Services Limited,</p> <p>By: </p> <p>Name: <u>SANDEEP MANDEKAR</u></p> <p>Title: <u>CHIEF BUSINESS OFFICER</u></p> <p>Witness: </p>	<p>Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit (APAM)</p> <p>By: <u>15-Jan 24</u></p> <p>Name: <u>Narendra A. Patil</u></p> <p>Title :</p> <p>Witness: </p>
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Note: A circular stamp for Mahindra and Mahindra Financial Services Ltd. Nashik is visible in the center of the document.



महाराष्ट्र MAHARASHTRA

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दि. 12 JAN 2024
 दस्तावेज प्रकार: MCO
 दान सांकेतिक कायदा आहे का? होय/नाही
 मिळालेल्या धारणे
 मुद्रांक विभाग कोषागाराचे नांव: कोषागार (महाराष्ट्र) पुणे
 घरा: 84, मंगळ
 दस्तावेज कोषागाराचे नांव
 हस्त लेखणीचे कोषागार पत्र: श्री 2/1

मनीष एल. प्रकाशे
 पत्ता क्र. 2201072
 बी.टी. कवडे रोड, पुणे-36

वरिष्ठ कोषागार अधिकारी
 पुणे
 08 JAN 2024
 प्रथम मुद्रांक लिपीक
 कोषागार पुणे करिता

Memorandum of Understanding

For collaboration working with
ANNASAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL MARYADIT MUMBAI
 ("Scheme")

This Memorandum of Understanding ("MoU") 15 day of January 2024, between **Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit** (hereinafter referred to as "APAM") and **John Deere Financial India Private Limited** (CIN U65923PN2011PTC141149) a body incorporated under the Indian Companies Act, 1956, having its registered office at Tower 14, Cybercity, Magarpatta city, Hadapsar, Pune 411013, (hereinafter referred to as "JDFIPL/Company"), for arriving at a synergy between the policies hereto with following terms:

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1. APAM being the implementation agency for the aforementioned scheme (Yojana) launched by the Government of Maharashtra, for the benefit of Economically Backward Class Youth in the State of Maharashtra, on 21st November 2017 as follows:

- a) INDIVIDUAL LOAN INTEREST REIMBURSEMENT SCHEME (IR-I).
- b) GROUP LOAN INTEREST REIMBURSEMENT SCHEME (IR-II).

The concerned GR and working guidelines attached are given herewith as Annexure-I and Annexure-II.

2. The implementation of scheme has started on 2nd February 2018 and a state-wide response from beneficiaries is evident on the website of APAM (www.udyog.mahaswayam.in).
3. As a part of implementation, every youth registered under the scheme, after submission of basic details like proof of residence, AADHAR card copy and family income proofs gets a "Letter of Intent" from APAM, confirming his or her eligibility to get full reimbursement of interest on loan taken from any CIBIL compliant Bank/ select Non-Banking Finance Company (NBFC) in the State of Maharashtra with limitation of quantum of loan, period of loan and rate of interest as given for each scheme.

- However, it was observed in 2021 that some NBFCs are charging much higher rate of interest than the rate of interest at which the APAM reimburses to the beneficiaries that is at the rate of 12% p.a. At a result of full which beneficiary has to bear the additional ROI over and above 12% as a result of which he/her actual deprived of most of the benefit. It was therefore necessary by the Government and the APAM to exclude all NBFCs from this schemes w.e.f. 1st November 2021.

Now it is felt necessary that some NBFCs who are willing to provide Finance to the beneficiaries at interest rate of 12% p.a. or less can be allowed in the scheme to provide finance.

After knowing the features of the Scheme, it is also felt by the financial services sector that the scheme would not only boost the priority sector lending portfolio but also reduce the number of non-performing assets arising in small loans. Therefore, some NBFCs have approached the APAM and shown interest to provide finance to the beneficiaries at an interest rate of 12% or less.

- Considering the growing number of beneficiaries and willingness of the beneficiaries to take loan from NBFCs. If it is available at Interest rate of 12% or less the APAM has decided to consider the proposal of NBFCs in the correct perspective and therefore the matter was discussed in the Board of

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Directors Meeting (BOD) and the BOD has resolved to allow those NBFCs who have accepted to provide loans to the beneficiaries at Interest rate of 12% p.a. or less. Therefore, in order to facilitate the beneficiaries to avail loan/ finance at a reasonable IRR and with minimum documentation, overcoming procedurally delay, it is felt necessary to spell out in writing the terms & conditions of such finance by the NBFCs who are willing to provide loan/ finance at interest rate 12% p.a or less. Hence, that MOU is entered into.

Considering the above, the parties hereto decide to work together on the following lines.

- a. APAM would identify Economically Backward Class (EBC) persons (their family income being less or up to 8 lakhs per financial year) needing financial help for starting new enterprises or expanding existing ventures.
- b. APAM after basic compliances required under the Scheme would issue an LOI with supporting evidence thereto (as given by the beneficiary).
- c. When a beneficiary approach JDFIPL (NBFC) with LOI and documents thereto, JDFIPL (NBFC) shall verify the EBC status and evaluate the project proposal according to its norms and procedures and for approved projects /cases shall lend money as per its usual terms and conditions but at interest rate of not more than 12% p.a. in any case and without any additional or hidden charges by whatever them called, by issuing a sanction letter to be given to customer/ beneficiary for uploading on APAM website.
- d. JDFIPL NBFC shall also provide EMI schedule and a certified copy of statement of loan as a proof of disbursement to assist APAM to verify whether the payment has been actually made to the beneficiary/ borrower of the scheme or entity who is set received advantages or asset in beneficiaries.
- e. As and when the borrower pays term loan installments along with interest, JDFIPL NBFC would provide the certified receipt and statement of transaction as proof of payment. NBFC will be responsible for provides to beneficiaries.
- f. Upon receipt of these proofs, APAM would as per the set process and rates transfer the interest amount reimbursement to the designated account of the beneficiary if the installment/ interest is seen to be paid in time as per Government Resolution, Guidelines as expected under loan conditions. The loan repayment frequency can be monthly, quarterly, half-yearly or yearly, which shall be at the discretion of JDFIPL (NBFC).
- g. Knowing the fact that such a reimbursement being a performance-based encouragement to the deserving EBC Entrepreneurs would result in enhancement of repayment capabilities of the borrowers, which would encourage priority sector financial transactions with more safety to the lending institutions. JDFIPL (NBFC) wishes to join the scheme as a partner and agrees to review proposals under the Scheme on priority

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basis.

- h. It is understood that the LOI is neither a recommendation nor a mandate of any nature but a statement of eligibility under the scheme, hence, JDFIPL (NBFC) would evaluate each proposal as per the normal lending policy followed for priority sector lending. In the interest of both the parties, LOI holders' proposals shall be considered by JDFIPL (NBFC) on priority basis, as per guidelines of the Scheme, only the interest component would be reimbursed by APAM, as a relief. Notwithstanding anything contained in this MoU, JDFIPL (NBFC) shall disburse the loan at its sole discretion after scrutinizing the eligibility of the customer. The add-on products/offers such as 'loan protector' and 'health insurance' can be added as an add-on to the loan amount on the request of the beneficiary
- i. It is agreed and understood between the parties hereto that the collaborative working expected under this agreement is primarily for promotion of economically backward class of society and both the parties do not wish to treat it as a commercial scheme, hence JDFIPL (NBFC) would not believe in charging any other charges (like account maintenance, minimum balance, hidden charges, statement charges, etc.) to these beneficiaries account, except for charges like processing charges, scheme documentation and due diligence charges, statutory charges, interest on loan, delayed charges on repayment of loan and cheque bouncing charges etc. All these charges shall be equal or not more than Nationalized bank charges.
- j. NBFC shall be responsible for the work and processing by its authorized branches and in case of any financial irregularity or transaction in contradiction to the it's official policy shall be dealt with by the NBFC and the APAM shall not be responsible for any loss or otherwise harassment etc. caused to the beneficiary. due to such act by the branches or employees of NBFC etc.
- k. If in any case, without corporation's permission, IRR increased beyond 12% p.a. in loan repayment life cycle, then it shall be treated as illegal and shall not be implemented

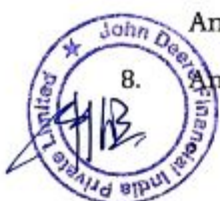
5. This MOU shall come into effect from the date of signing. Further, it is the endeavor of the parties hereto that this understanding will continue till the 31st July 2024 and may be extended further the consent of both the parties. of implementation of the APAM Scheme.

6. All necessary expenses for the performance of individual responsibilities of parties hereto shall be incurred by them on their own, unless specifically being understood to be otherwise.

7. No party shall make use of each other's logo and/or brand and/or intellectual property for any purpose without prior written permission of the individual Party. However, the beneficiary of the scheme is allowed to use the assistance from APAM as inscribed on their business set up display as in support from Annasaheb Patil Arthik Vikas Mahamandal Maryadit, Mumbai.

8. Any provision under this MoU is found or proved to be illegal or invalid, then

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only that provision or part of the provision shall be treated as null and void and remaining part shall be considered as enforceable and valid.

9. Any amendment to this MoU shall be carried out in writing duly authenticated and executed by all the parties.
10. This MoU may be terminated by any one of the parties giving a written notice of three months to other party specifically disclosing the intention to withdraw from the MOU. However, it is not expected that either of the party withdraws from the commitments, which may result in any kind of tangible loss to the beneficiaries and the other party.
11. NBFC should provide monthly/ Quarterly Audit data regarding APAM Beneficiaries.
12. JDFIPL (NBFC) reiterates that for the loans funded under this Scheme for Commercial tractor, Transport vehicles, CV, etc., the interest rate shall be maximum at IRR 12% (twelve percent) per annum and the other charges as per the respective terms of the loan agreement (strictly in compliance with the terms mentioned in point no 4(i) of this MOU entered with the member under the Scheme. There shall be no hidden charges and all charges shall be reflected in schedule of charges. In the event there is any increment in the interest reimbursement beyond 12% by APAM, then JDFIPL (NBFC) shall write to APAM and take written permission to allow/ add increase IRR under Reimbursement scheme.
13. The MoU is only a measure to facilitate the beneficiaries to avail loan/ finance at a reasonable Rate of interest and with minimum documentation and overcoming procedural delay, and it shall NOT any way restrict any beneficiary to take finance from any financial institutions, banks, co-operative banks etc. The beneficiaries are free to approach and avail themselves of loan/ finance from any other financial institutions, banks, co-operative banks etc.
14. The processing of applications for the loans granted under this Scheme shall be done by JDFIPL (NBFC) regional offices in Maharashtra. Both parties further confirm that in the event of any dispute arising out of this MoU for referring members under the Scheme shall be referred to arbitration of a sole arbitrator nominated upon mutual consent of both the parties. The award given by the sole arbitrator shall be final and binding on the parties. The venue of arbitration proceedings shall be Mumbai.
15. It again reiterated that this MOU is only a measure to facilitated the beneficiaries,
16. The jurisdiction for the performance of this MOU shall be the state of Maharashtra.

OT Mumbai
15-Jan 24



In witness whereof the parties hereto have set their respective hands and seals on the date mentioned herein above.

John Deere Financial India Private Limited (JDFIPL)	Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit (APAM)
By:	By: <i>गणेशजी</i> <i>15-Jan 24.</i>
Name: Abhay Dhokte	Name:
<i>[Signature]</i>	<i>Naranda. A. Patil</i>
Title: Managing Director	Title:
<i>[Signature]</i>	<i>[Signature]</i>
Witness:	Witness:
<i>[Signature]</i>	<i>[Signature]</i>

[Seal: John Deere Financial India Private Limited]

[Seal: महाराष्ट्र शासन, अ.पा.म.वि.म.म., मुंबई-९]



महाराष्ट्र MAHARASHTRA

2023

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दस्ताचा प्रकार : लोन

दस्त नोंदणी करणार आहेत का ? होय/नाही.

निळकतीचे वर्णन

मुद्रांक विकत घेणा-याचे नाव: SUNDARAM FINANCE LTD.

पत्ता: Law College Road Pune 411004.

दुस-या पक्षकाराचे नाव -

हस्ते व्यक्तीचे नाव व पत्ता: Shivaji Wagh Ahiregaon Pune-23.

किरण देवराम लडकत

परवाना क्र. 2201125

मुद्रांक विकत घेणा-याची सही

431, सोमवार पेठ, पुणे-11

ज्या कारणासाठी ज्यांनी मुद्रांक खरेदी केला त्यांनी त्याच कारणासाठी

मुद्रांक खरेदी केल्यापासून 6 महिन्यांत वापरणे बंधनकारक आहे.



Memorandum of Understanding

Between

Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit

[hereinafter referred to as "APAM") and Sundaram Finance Limited,

(hereinafter referred to as 'SFL'), on 15th January 2024

For SUNDARAM FINANCE LTD

Authorised Signatory

15-Jan 24



For SUNDARAM FINANCE LTD



Memorandum of Understanding

For collaboration working with
ANNASAHEB PATIL ARTHIK MAGAS VIKAS MAHAMANDAL MARYADIT MUMBAI
("Scheme")

This Memorandum of Understanding ("MoU") is executed on 15th day of January 2024, between **Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit** (hereinafter referred to as "APAM") and **Sundaram Finance Limited, (CINL65191TN1954PLC002429)**, a body incorporated under the Indian Companies Act, 1956 / 2013, having its registered office at 21, Patullos Road, Chennai 600002, (hereinafter referred to as "SFL"), for arriving at a synergy between the policies hereto with following terms:

1. APAM being the implementation agency for the aforementioned scheme (Yojana) launched by the Government of Maharashtra, for the benefit of Economically Backward Class Youth in the State of Maharashtra, on 21st November 2017 as follows:
 - a) INDIVIDUAL LOAN INTEREST REIMBURSEMENT SCHEME (IR-I).
 - b) GROUP LOAN INTEREST REIMBURSEMENT SCHEME (IR-II).

The concerned GR and working guidelines attached are given herewith as Annexure-I and Annexure-II.

2. The implementation of scheme has started on 2nd February 2018 and a state-wide response from beneficiaries is evident on the website of APAM (www.udyog.mahaswayam.in).
3. As a part of implementation, every youth registered under the scheme, after submission of basic details like proof of residence, AADHAR card copy and family income proofs gets a "Letter of Intent" from APAM, confirming his or her eligibility to get full reimbursement of interest on loan taken from any CIBIL compliant Bank/ select Non-Banking Finance Company (NBFC) in the State of Maharashtra with limitation of quantum of loan, period of loan and rate of interest as given for each scheme.

- However, it was observed in 2021 that some NBFCs are charging much

For SUNDARAM FINANCE LTD

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Authorised Signatory

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15-Jan-24.



higher rate of interest than the rate of interest at which the APAM reimburses to the beneficiaries that is at the rate of 12% p.a. At a result of full which beneficiary has to bear the additional ROI over and above 12% as a result of which he her actual deprived of most of the benefit. It was therefore necessary by the Government and the APAM to exclude all NBFCs from this schemes w.e.f. 1st November 2021.

4. Now it is felt necessary that some NBFCs who are willing to provide Finance to the beneficiaries at interest rate of 12% p.a. or less can be allowed in the scheme to provide finance.

After knowing the features of the Scheme, it is also felt by the financial services sector that the scheme would not only boost the priority sector lending portfolio but also reduce the number of non-performing assets arising in small loans. Therefore, some NBFCs have approached the APAM and shown interest to provide finance to the beneficiaries at an interest rate of 12% or less.

- Considering the growing number of beneficiaries and willingness of the beneficiaries to take loan from NBFCs. If it is available at Interest rate of 12% or less the APAM has decided to consider the proposal of NBFCs in the correct perspective and therefore the matter was discussed in the Board of Directors Meeting (BOD) and the BOD has resolved to allow those NBFCs who have accepted to provide loans to the beneficiaries at Interest rate of 12% p.a. or less. Therefore, in order to facilitate the beneficiaries to avail loan/ finance at a reasonable IRR and with minimum documentation, overcoming procedurally delay, it is felt necessary to spell out in writing the terms & conditions of such finance by the NBFCs who are willing to provide loan/ finance at interest rate 12% p.a or less. Hence, that MOU is entered into.

Considering the above, the parties hereto decide to work together on the following lines.

- a. APAM would identify Economically Backward Class (EBC) persons (their family income being less or up to 8 lakhs per financial year) needing financial help for starting new enterprises or expanding existing ventures.
- b. APAM after basic compliances required under the Scheme would issue an LOI with supporting evidence thereto (as given by the beneficiary).
- c. When a beneficiary approach 'SFL' with LOI and documents thereto, 'SFL' shall verify the EBC status and evaluate the project proposal according to its norms and procedures and for approved projects /cases shall lend money as per its usual terms and conditions but at interest rate of not more than 12% p.a. in any case and without any additional or hidden charges by whatever them called, by issuing a sanction letter to be given to customer/ beneficiary for uploading on APAM website.
- d. 'SFL' shall also provide EMI schedule and a certified copy of statement

Page 2 | 5

For SUNDARAM FINANCE LTD


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of loan as a proof of disbursement to assist APAM to verify whether the payment has been actually made to the beneficiary/ borrower of the scheme or entity who is set received advantages or asset in beneficiaries.

- e. As and when the borrower pays term loan installments along with interest, 'SFL' would provide the certified receipt and statement of transaction as proof of payment. 'SFL' will be responsible for provides to beneficiaries.
- f. Upon receipt of these proofs, APAM would as per the set process and rates transfer the interest amount reimbursement to the designated account of the beneficiary if the installment/ interest is seen to be paid in time as per Government Resolution, Guidelines as expected under loan conditions. The loan repayment frequency can be monthly, quarterly, half-yearly or yearly, which shall be at the discretion of 'SFL'.
- g. Knowing the fact that such a reimbursement being a performance-based encouragement to the deserving EBC Entrepreneurs would result in enhancement of repayment capabilities of the borrowers, which would encourage priority sector financial transactions with more safety to the lending institutions. 'SFL' wishes to join the scheme as a partner and agrees to review proposals under the Scheme on priority basis.
- h. It is understood that the LOI is neither a recommendation nor a mandate of any nature but a statement of eligibility under the scheme, hence, 'SFL' would evaluate each proposal as per the normal lending policy followed for priority sector lending. In the interest of both the parties, LOI holders' proposals shall be considered by 'SFL' on priority basis, as per guidelines of the Scheme, only the interest component would be reimbursed by APAM, as a relief. Notwithstanding anything contained in this MoU, 'SFL' shall disburse the loan at its sole discretion after scrutinizing the eligibility of the customer. The add-on products/offers such as 'loan protector' and 'health insurance' can be added as an add-on to the loan amount on the request of the beneficiary
- i. It is agreed and understood between the parties hereto that the collaborative working expected under this agreement is primarily for promotion of economically backward class of society and both the parties do not wish to treat it as a commercial scheme, hence 'SFL' would not believe in charging any other charges (like account maintenance, minimum balance, hidden charges, statement charges, etc.) to these beneficiaries account, except for charges like processing charges, scheme documentation and due diligence charges, statutory charges, interest on loan, delayed charges on repayment of loan and cheque bouncing charges etc. All these charges shall be equal or not more than nationalized bank charges.
- j. NBFC shall be responsible for the work and processing by its authorized branches and in case of any financial irregularity or transaction in contradiction to the it's official policy shall be dealt with

Page 3 | 5

GT Mumbai
15-Jan 24



For SUNDARAM FINANCE LTD


Authorized Signatory

by the 'SFL' and the APAM shall not be responsible for any loss or otherwise harassment etc. caused to the beneficiary. due to such act by the branches or employees of 'SFL' etc.

- k. If in any case, without corporation's permission, IRR increased beyond 12% p.a. in loan repayment life cycle, then it shall be treated as illegal and shall not be implemented
5. This MOU shall come into effect from the date of signing. Further, it is the endeavor of the parties hereto that this understanding will continue till the 31st July 2024 and may be extended further the consent of both the parties. of implementation of the APAM Scheme.
 6. All necessary expenses for the performance of individual responsibilities of parties hereto shall be incurred by them on their own, unless specifically being understood to be otherwise.
 7. No party shall make use of each other's logo and/or brand and/or intellectual property for any purpose without prior written permission of the individual Party. However, the beneficiary of the scheme is allowed to use the assistance from APAM as inscribed on their business set up display as in support from Annasaheb Patil Arthik Vikas Mahamandal Maryadit, Mumbai.
 8. Any provision under this MoU is found or proved to be illegal or invalid, then only that provision or part of the provision shall be treated as null and void and remaining part shall be considered as enforceable and valid.
 9. Any amendment to this MoU shall be carried out in writing duly authenticated and executed by all the parties.
 10. This MoU may be terminated by any one of the parties giving a written notice of three months to other party specifically disclosing the intention to withdraw from the MOU. However, it is not expected that either of the party withdraws from the commitments, which may result in any kind of tangible loss to the beneficiaries and the other party.
 11. 'SFL' should provide monthly/ Quarterly Audit data regarding APAM Beneficiaries.
 12. 'SFL' reiterates that for the loans funded under this Scheme for Commercial tractor, Transport vehicles, CV, etc., the interest rate shall be maximum at IRR 12% (twelve percent) per annum and the other charges as per the respective terms of the loan agreement (strictly in compliance with the terms mentioned in point no 4(i) of this MOU entered with the member under the Scheme. There shall be no hidden charges and all charges shall be reflected in schedule of charges. In the event there is any increment in the interest reimbursement beyond 12% by APAM, then 'SFL' shall write to APAM and take written permission to allow/ add increase IRR under Reimbursement scheme.
 13. The MoU is only a measure to facilitate the beneficiaries to avail loan/ finance at a reasonable Rate of interest and with minimum documentation and

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G. Murdita
15-Jan 24





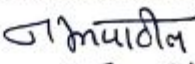

For SUNDARAM FINANCE LTD

Authorised Signatory

overcoming procedural delay, and it shall NOT any way restrict any beneficiary to take finance from any financial institutions, banks, co-operative banks etc. The beneficiaries are free to approach and avail themselves of loan/finance from any other financial institutions, banks, co-operative banks etc.

14. The processing of applications for the loans granted under this Scheme shall be done by 'SFL' regional offices in Maharashtra. Both parties further confirm that in the event of any dispute arising out of this MoU for referring members under the Scheme shall be referred to arbitration of a sole arbitrator nominated upon mutual consent of both the parties. The award given by the sole arbitrator shall be final and binding on the parties. The venue of arbitration proceedings shall be Mumbai.
15. It again reiterated that this MOU is only a measure to facilitated the beneficiaries,
16. The jurisdiction for the performance of this MOU shall be the state of Maharashtra.

In witness whereof the parties hereto have set their respective hands and seals on the date mentioned herein above.

<p>Sundaram Finance Limited (SFL)</p> <p>By: For SUNDARAM FINANCE LTD</p> <p> Authorized Signatory</p> <p>Name: Shri Vinod Kumar N</p> <p>Title: Deputy Regional Head</p> <p>Witness:</p> <p></p>	<p>Annasaheb Patil Arthik Magas Vikas Mahamandal Maryadit (APAM)</p> <p>By: </p> <p>15-Jan-24</p> <p>Name: Nasirudeen A. Rahi</p> <p>Title :</p> <p>Witness:</p> <p></p>
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