

**TERMS & CONDITIONS AND REFUND POLICY**



**IFL FINANCE LIMITED**

*(Formerly known as IFL Housing Finance Limited)*



DESCRIPTION	SIGNATURE
Prepared by:	Compliance Department
Reviewed by:	Chief Financial Officer
Approved by:	Board of Directors Authorisation: Mr. Gopal Bansal, Managing Director

VERSION	DATE	DESCRIPTION	NEXT REVIEW DATE
1.0	06.04.2026	First Time Adoption	As and When Required



## **TERMS & CONDITIONS**

### **Pledge of Gold Ornaments**

1. The Company has relied solely on the declarations and undertakings made by the Borrower and the proofs provided by the Borrower at the time of loan application and applied only basic purity test methods on the pledged Gold Ornaments as per established market practices for arriving at their valuation. The Borrower agrees that in case the Company subsequently discovers that the pledged Gold Ornaments pledged are spurious or of lower purity or the ownership thereof is in dispute, the Company may, at its discretion, take civil and/or criminal legal actions against the Borrower. The Borrower agrees that he/she will be held solely responsible for all costs and shall keep the Company indemnified for all losses incurred on this account.

2. The employees/auditors of the Company shall have the right to verify the purity of the pledged Gold Ornaments from time to time, whenever such verification is required by adopting any/all of the standard valuation methods prescribed by the Company. The Borrower gives its consent for surprise verification including assay of the pledged eligible collateral even in their absence during the tenor of the loan.

3. The Borrower agrees that the Loan to Value Ratio ("LTV") (including the loan amount, interest, accrued interest and any charges) shall be maintained at all times during the Tenure of the Loan within the maximum permissible limit as prescribed in the scheme opted by the Borrower (which shall not exceed the limit prescribed by RBI from time to time). If, at any time during the loan tenure, the actual LTV exceeds the maximum sanctioned LTV, due to any reason including reduction in gold prices or variation in the purity of the pledged Gold Ornaments on re-verification, the Borrower shall fill the gap within 3 (three) working days from the date of occurrence of such shortfall, either by making payment and/or by pledging additional Gold Ornaments in proportionate weight/value. In the event of failure on the part of the Borrower to do so including for non-deposit/pledge of Gold Ornaments in case of balance transfer, it shall be treated as an event of default and the Company shall have the right to recall the Loan and demand the entire loan amount including interest and other charges.

### **Compensation**

4. The Borrower agrees that in the event of loss of the pledged Gold Ornaments, whether due to theft, burglary, deterioration of purity during internal audit etc., liability of the Company shall be limited to compensate for the equivalent value of net weight of gold after deductions on account of stones and impurities. The Borrower shall submit a formal claim for such compensation. The Company shall determine the compensation based on the gold rate quoted by India Bullion and Jewellers Association prevailing on the date of identification / quantification of loss, after adjusting outstanding loan amount, interest and other applicable charges, and shall pay the net amount, if any, within 7 days (seven days) of such identification / quantification. The Company shall also provide details of the compensation calculation to the Borrower.

5. The Borrower agrees that the Company shall have no liability for any loss/damage caused to the pledged Gold Ornaments for any reasons beyond its control including but not limited to fire, flood or earthquake. In such an event, the Borrower's right to receive compensation shall arise only for such amount and at such time as and when received by the Company from the settlement of insurance claim. The Borrower shall continue to be liable for all payments against such Loan including the outstanding loan amount, charges and interest thereon till the date of closure of loan account.

6. The Borrower agrees that the Company will not be in any manner liable for any loss of stones or quality of stones embedded in the Gold Ornaments.

*Not to be reproduced, copied, distributed or transmitted in any form or means without the prior written consent of IFL Finance Limited.*



7. The Company shall adhere to the provisions of the RBI Directions with respect to compensation and reimbursement.

### **Interest & Charges**

8. The Borrower has fully understood and agreed to all terms and conditions of the Loan including the period of loan, principal and interest due dates, various interest rates, penal charges/late payment interest, rebates and other applicable charges with regard to the loan. The Borrower has understood and agreed that:

- a.) The rate of interest shall depend on the scheme opted by the Borrower at the time of loan application.
- b.) Interest shall be calculated on the basis of the completed number of days with a year calculated as 360 (three hundred sixty) days.
- c.) Interest shall be charged for the period inclusive of both opening and closing days of the Loan.
- d.) Interest shall be charged for a minimum period and/or amount as mentioned in the Sanction Letter.
- e.) The Loan has to be fully repaid with interest and charges thereon within the loan tenure as specified in the Sanction Letter.
- f.) The Company shall levy penal charges for non-compliance with the material terms and conditions of the loan agreement at the rate as mentioned under the loan sanction letter.
- g.) The Borrower(s) understand and agree that Penal charges as specified by the Company in the loan sanction letter shall be charged in case of any failure to make timely payments.
- h.) Interest/Late Payment Interest will be compounded monthly.
- i.) Post-repayment Gold Custody charges shall be applicable if the pledged gold is not collected within 7 days from the repayment date

9. The Borrower understands that it is the responsibility of the Borrower to obtain an acknowledgment from the employees of the Company for any financial payments made to the Company. The Borrower shall undertake all such financial transactions only within the branch premises of the Company. The Company shall not be responsible for any transactions made outside their branch premises or without a valid acknowledgment issued by the Company.

10. The Borrower agrees that the payment of the principal or interest and any other transactions with respect to the Loan shall be done by the Borrower during working hours on the working days only. The Borrower also agrees that if the due date of payment of any amount is not a working day, the payment shall be made on the working day immediately preceding that day.

11. The Borrower agrees that the Company shall have the right, at its discretion, to change the rate of interest on Loan at any time during the currency/Tenure of Loan after taking into consideration all relevant factors such as cost of funds etc. The Company shall ensure that any change in the rate of interest shall be clearly communicated to the Borrower and shall have effect prospectively only.

12. The Borrower agrees that in the event of pre-payment of the Loan or any part thereof by the Borrower, the receipt shall be adjusted first towards costs/charges, and then towards interest and then towards the principal.

13. The Borrower agrees that the Loan amount together with interest and other charges thereon shall be payable on demand by the Company before the due date of principal/interest as mentioned in the Sanction Letter.

14. The Borrower understands that any payment by the Borrower of INR 20000.00/- and above will be ₹ accepted only through banking modes or as per the extant regulations of Income Tax Act, 1961 or any other law for the time being in force.

*Not to be reproduced, copied, distributed or transmitted in any form or means without the prior written consent of IFL Finance Limited.*



15. The Borrower agrees that the Company may, without assigning any reason and upon written notice, cancel, full or in part, the sanctioned loan. Upon such notice, the entire outstanding amount together with interest & other charges shall become forthwith due and payable by the Borrower to the Company.

### **General Terms**

16. The Borrower agrees that the Company shall have the absolute right to sell, transfer, assign or securitize, to any other person full or in part, all rights, titles and interests arising under this Loan transaction. Further, the borrower agrees and declare that the said gold ornaments / articles is / are exclusively owned and belongs to him / her. He / She has handed over the possession to the Company as a Pledgee of those gold ornaments.

17. The Borrower agrees that the Company may, at any time during the currency of this Loan, require the Borrower to provide a guarantee from any other person under this Loan transaction.

18. The Borrower provides his/her consent to the Company for disclosing any information or data related to the Loan facility to any Credit Bureaus, information utilities, government agencies, regulatory bodies, authorities, law enforcement agencies, the Reserve Bank of India and any other agency authorized on this behalf. The Borrower is aware that such agencies may use or share such information in the manner as deemed fit by them.

19. The Borrower understands that the Company will not entertain any request from the Borrower for transfer of the Loan account from one branch to another.

20. The Borrower agrees that the Company shall have the right to shift the location of the branch to any other location or transfer the loan account to any other branch. The Borrower also agrees that Company shall have the right to transfer the pledged Gold Ornaments to another branch/vault of the Company or to the third party vault or service provider or to the custody of any of its lender / colender/ BC arrangement. I also hereby provide my consent to the Lender for sharing my Know Your Customer (KYC) and other personal details due to being a participant to Co-Lending arrangement / BC arrangement.

21. Gold Ornaments shall be released to the Borrower only, within 3 (three) working days and after the receipt of the entire dues under the Loan (including interest and any other charges), and provided the payment is received from the customer account only, and only on submission of this Pledge Certificate in Original, and The Borrower agrees that in case of a pre-closure request, the Company generally takes 3 (three) working days to process the release of pledged Gold Ornaments after such a valid request is received from the Borrower by the Company.

22. We, at IFL Finance Limited (Formerly Known as IFL Housing Finance Ltd.), do not issue any handwritten cash receipts. All our cash receipts and pledge/loan documents are computer generated. In case you are offered any handwritten cash receipts/pledge/loan documents, then please do not accept and contact us immediately on 8595010101 and/or e-mail at [pno@iflfinanceltd.com](mailto:pno@iflfinanceltd.com).

23. Always carry out all transactions within the branch premises only. Never hand over gold ornaments or cash payment to any person outside the branch. We shall not be responsible for any transaction/activity done outside the branch premises.

24. All our transactions are authenticated through SMS and OTP confirmations sent to your registered mobile number. In case of non receipt of SMS or OTP, please do not proceed with the transaction and contact us on 8595010101 and/or e-mail at [pno@iflfinanceltd.com](mailto:pno@iflfinanceltd.com).

25. Collect all your account related documents like computerised pledge form, receipts etc. and check/verify all details mentioned therein carefully before leaving the counter.

*Not to be reproduced, copied, distributed or transmitted in any form or means without the prior written consent of IFL Finance Limited.*



26. Please ensure that you keep updated your latest mobile number /address / email ID(s) to enable us to send you regular service updates OTP through SMS.

### **Release**

27. The Borrower shall have to surrender the original Sanction Letter/Pledge Certificate to the Company at the time of closure of the Loan account for getting back the pledged Gold Ornaments. In case of loss of the original Sanction Letter/Pledge Certificate, the Borrower shall have to execute an indemnity bond along with the payment. Further Borrower agrees that Company may hold all securities belonging to Borrower (which may now be in Company's possession or which may at any time hereafter come into Company's possession) and the proceeds thereof respectively not only for the specific advance made thereon but also as collateral security for any other monies now due or which may any time be due from Borrower to Company / group company, whether singly or jointly with another or others.

### **Nomination in the Event of Death of Borrower**

28. The Borrower agrees that in the event of death of the Borrower, the nominee mentioned at the time of loan application shall be entitled to receive the pledged Gold Ornaments, subject to payment of all outstanding amounts including interest and production of death certificate of the Borrower, to the exclusion of any other person/s, regardless of any depositions made by the Borrower, whether testamentary or otherwise. The Borrower further agrees that upon the release of pledged Gold Ornaments to the such nominee, the Company shall be released from any and all liabilities towards the Borrower and his/her legal heirs. In the event the aforementioned nominee does not come forward within a period of 90 (ninety) days from the date of death of the Borrower to retrieve the pledged Gold Ornaments, the Company will be free to release the pledged Gold Ornaments jointly to the legal heirs of the Borrower upon furnishing a legal heirship certificate or succession certificate or similar document evidencing their relationship with the Borrower.

### **Renewal & Top-ups**

29. The Borrower understands that he/she can avail a top-up loan, equivalent to the difference between total outstanding under the present Loan (incl. accrued interest, charges etc.) and the eligible fresh loan amount as per the permissible LTV. Such top-up loan can be availed by visiting the branch or by using online web/mobile application of the Company at any time during the currency of the Loan. If such a top-up loan is availed by the Borrower, a new loan account will be opened for the total availed loan amount by closing the existing loan account and disbursing the top-up loan amount, to the Borrower.

30. The Borrower agrees that if the Company discontinues any of the loan schemes, in such case no further loans will be granted under such closed scheme. If a Borrower who had earlier availed loan under such closed scheme and desires to renew the loan, the Borrower may avail a fresh loan under any of the prevailing schemes.

### **Recovery (including Auctions)**

31. The Borrower agrees that following events will be considered as Event of Default under this Loan:

- a. any delay on part of the Borrower in payment of interest or principal or any dues under the Loan ;
- b. breach of LTV when such breach is not rectified within 3 (three) working days of occurrence ;
- c. breach of any of the terms or covenants of the Loan and such breach is not rectified within period of 3(three) working days ;

*Not to be reproduced, copied, distributed or transmitted in any form or means without the prior written consent of IFL Finance Limited.*



- d. cross default ;
  - e. the Borrower being declared insolvent or initiation of insolvency proceedings against the Borrower ;
  - f. any other event which the Company may, at its sole discretion, reckon as an event of default.
  - g. non- deposit or short-deposit / pledge of Gold Ornaments in case of balance transfer
  - h. failure on the Borrowers part to perform any of the obligations hereunder or If any circumstance or event occurs which adversely affects my/our capacity to repay the loan or any part thereof my/our obligations.
  - i. If any of the representation or statements or particulars made by me herein are found to false misleading or incorrect
  - j. upon detection of any systemic fraud in relation to the quality of the gold by the Company.
  - k. If the value of the said Gold Security falls lower than the required margin of the Company as applicable from time to time, due to change in market price (whether actual or reasonably anticipated), accrued interest or any other reason
  - l. if there is any deterioration or any part thereof, which causes the security In the judgment of the Company to become unsatisfactory in character or value.
  - m. In case there is an event of default in any other loan availed by the Borrower from the Company.
  - n. Any attempt by Borrower without prior written consent of the Company to create any charge, lien, mortgage or any encumbrance over the Gold/Gold Ornaments.
32. The Borrower agrees that in an Event of Default, the Company has, inter alia, rights to do any or all of the following :
- visit the residence/place of work/business of the Borrower for the purpose of recovery of amounts due under the Loan.
  - sell the pledged Gold Ornaments through an auction process ;
  - disclose or publish name and/or other details of the Borrower as a defaulter in such manner and through such medium, as the Company may, in its absolute discretion, think fit ;
  - recall the loan before the due date.
  - initiate legal proceedings against the Borrower for recovery of the outstanding loan amount together with interest/charges there on;
  - do any other act or deed, as the Company may deem fit to secure and recover of the loan together with interest/charges thereon.

### **Auction**

33. The Borrower agrees that:
- a. Customer is communicated by available means to pay the outstanding amount to avoid auction and given 5 days time.
  - b. If payment is not received within 5 days, auction notice will be issued to the customer as per RBI guidelines and auction details shall also be communicated through SMS or other available electronic means.
  - c. Public notice will be given in local newspaper providing adequate time period as prescribed by RBI from time to time.
  - d. If dues are not received prior to the date of auction, the pledged gold collateral shall be auctioned at or above the reserve price determined in accordance with RBI guidelines
  - e. the Company shall appropriate the amount realised from the auction towards outstanding under the loan account including interest, charges or any other amounts due from the Borrower.
  - f. During the auction or at any time, any cross adjustment of the loan may be done with other loan accounts (whether gold loan or any other loans) availed by the Borrower from the Company.
  - g. In case of unsuccessful auction or if the amount received through the auction is insufficient to cover the total amount due under the Loan, the shortfall shall be recovered from the Borrower in accordance with law.
  - h. In case the amount realised through auction is higher than the total dues under the Loan, the excess amount so realised will be refunded to the Borrower either in cash or by cheque within 7 working days from the date of such realisation by the Company.

*Not to be reproduced, copied, distributed or transmitted in any form or means without the prior written consent of IFL Finance Limited.*



i. By no means the Borrower shall make any objection to the auction of the Pledged Gold Ornaments by the Company, in case of the Event of Default on the part of the Borrower. The Borrower agrees that the decision of the company in this regard will be final and binding.

### **Communication**

34. The Borrower agrees that the Company may communicate to the Borrower for reminding payments of interest/principal or for any other loan related information or other promotional offers of the Company or of any other entities.

35. The Borrower agrees that all the communications with the Borrower will be sent to his/her registered address or phone number (call, sms, whatsapp) or e-mail as specified by the Borrower at the time of loan application.

36 The Borrower shall be responsible for appraising the Company, about any change in his/her address or phone number or email, by communicating the same in writing by visiting the branch in person or through a registered letter. The Company cannot be held responsible for any loss or damage caused to the Borrower due to the Borrower's failure to provide the information to the Company about any change in communication details in a timely manner.

### **Legal**

37. Any disputes shall be settled by arbitration in accordance with the Arbitration and Conciliation Act, 1996, as amended ("Arbitration Act"). The Dispute shall be referred to a sole arbitrator duly appointed by the Parties with mutual consent failing which the sole arbitrator shall be appointed in accordance with the Arbitration Act. The seat of the arbitration shall be at Delhi and the language of proceedings shall be English. The award rendered shall be in writing. The costs and expenses of the arbitration shall be borne equally by each Party, with each Party paying for its own fees and costs including attorney fees, except as may be determined by the arbitration tribunal. Any award by the arbitration tribunal shall be final and binding.

38. This Agreement shall be construed and governed in accordance with the laws of India. The Borrower does hereby irrevocably submit itself to the non-exclusive jurisdiction of the courts of Delhi. The Company may, however, in its absolute discretion commence any legal action or proceedings arising out of this Agreement in any other court, tribunal or other appropriate forum and the Borrower hereby consents to that jurisdiction. The Company cannot be held responsible for any loss or damage to the Borrower that may arise out of the legal action taken against the Borrower.

### **Interest Rate Policy and Gradation of Risk**

39. Company may charge different rate of interest for same product and tenor during the same period from different categories of borrowers based on their risk categorization. In this regard, please refer Interest rate policy available on our website.

### **Grievance Redressal Mechanism**

40. If you have any complaint, please contact the Branch Manager at the respective branches. If unsatisfied, you may send an email to [pno@iflfinanceltd.com](mailto:pno@iflfinanceltd.com) or call our Principal Nodal officer / Grievance Redressal Officer, Ms. Rekha Behl, at Contact no. 8595010101 during normal working hours.

Credit Policy of the Company is available on [www.iflfinanceltd.com](http://www.iflfinanceltd.com). The Customer KYC form, Sanction letter, terms & Conditions, Loan receipt, Pledge slip, Certificate of Pledged Gold Collateral and Key fact Statement shall constitute the loan agreement of the Company.

*Not to be reproduced, copied, distributed or transmitted in any form or means without the prior written consent of IFL Finance Limited.*



Other details related to grievance redressal mechanism are available at <https://www.iflfinanceltd.com/src/assets/pdfs/customer-relations/Grievance-Redressal-Policy.pdf>.

### **Refund Policy**

We do not offer any refunds. Please note that our Company does not charge any fees prior to loan disbursement. Accordingly, no refunds are applicable, as no upfront payments are collected at any stage of the loan process.

-----End-----