

SANCTION LETTER
LOAN APPLICATION NUMBER: ((APPLICATION ID))

Date: ((dt))

To,

((borrower_name))

Current Address: ((current_add))

Permanent Address: ((add))

Email id: ((Email_id))

Mobile Number: ((Mobile_Number))

Dear Sir / Madam,

We are pleased to inform you that your loan application has been approved by L&T Finance Limited (*formerly known as L&T Finance Holdings Limited*), and hereinafter referred as (“**LTF/Lender**”), subject to the following:

- 1) **Key Facts Statement**- Please find attached Annexure 1 which comprises of Key Facts Statement (“**KFS**”). Annexure 1 further comprises of Schedule A i.e. *Computation of Annual Percentage Rate (APR)* and Schedule B i.e. *Repayment Schedule*.
- 2) **Terms and Conditions** - Please find attached Annexure 2 which comprises of Terms of Sanction.

We look forward to a mutually beneficial and long-term relationship. We believe that our partnership will be built on the principles of trust, transparency, and understanding. We are committed to providing you with the best possible service and support to ensure that your loan experience is smooth and hassle-free.

By consenting to this sanction letter, you acknowledge that you have read, understood, and agreed to the terms and conditions outlined above and in the Annexures. You also confirm that you have provided all necessary information and documentation to facilitate the disbursement of the loan.

We encourage you to reach out to us if you have any questions or concerns regarding your loan or any other matter. Our dedicated customer service team is available at 1800-268-0000 or customercare@ltps.com to assist you at all times.

If you're agreeable to the above terms and conditions, please sign and accept this sanction letter.

Date: ((variable))

Regards,

L&T Finance Ltd.

(formerly known as L&T Finance Holdings Limited)

This is a system generated document. Therefore, the signature of L&T Finance Limited is not required.

ANNEXURE 1 - KEY FACTS STATEMENT
PART 1 (INTEREST RATE AND FEES/CHARGES)

1	Loan proposal/ account No.	((variable))	Type of Loan	Personal Loan			
			Purpose of Loan	((variable))			
2	Sanctioned Loan Amount (in Rupees)	((variable))					
	Loan Amount (in Rupees)	((variable))					
3	Disbursal schedule (i) Disbursement in stages or 100% upfront. (ii) If it is stage wise, mention the clause of loan agreement having relevant details	100% upfront					
4	Loan term (months)	((variable))					
5	Instalment details						
	Type of instalments	Number of EPIs	EPI (₹)	Commencement of repayment, post sanction			
	((variable))	((variable))	((variable))	((variable))			
6	Interest rate (Annualised)	((variable)) % p.a.					
	Type (fixed or floating or hybrid)	Fixed					
7	Additional Information in case of Floating rate of interest						
Reference Benchmark	Benchmark rate (%) (B)	Spread (%) (S)	Final rate (%) R = (B) + (S)	Reset periodicity (Months)	Impact of change in the reference benchmark (for 25 bps change in 'R', change in:)		
				B	S	EPI (₹)	No. of EPIs
NA	NA	NA	NA	NA	NA	NA	NA
8	Fee/ Charges						
		Payable to the Lender (A)		Payable to a third party through Lender (B)			
		One-Time/ Recurring	Amount (in ₹) or Percentage (%) as applicable	One-Time/ Recurring	Amount (in ₹) or Percentage (%) as applicable ⁵		
(i)	Processing fees	One Time	((variable))				
(ii)	Insurance charges a. Life Insurance b. Health Insurance c. General Insurance			One Time	((variable)) ((variable)) ((variable))		
9	Annual Percentage Rate (APR) (%)			((variable)) % p.a.			
10	Details of Contingent Charges (in ₹ or %, as applicable)						
(i)	Late Payment Charges			2% per month on overdue EMI			
(ii)	Foreclosure charges, if applicable			5% of principal outstanding + applicable taxes			
(iii)	Part Prepayment Charges			Up to 5% of prepaid amount + applicable taxes			
(iv)	Repayment instrument Swap Charges			Rs.500/- + applicable taxes (applicable only for branch walk-ins)			

		Loan Sanction amount in Rs.	Charges in Rs.
(v)	EMI Dishonour/Bounce Charge *A bounce charge is a charge for (i) dishonour of any repayment instrument; or (ii) non-payment of instalment(s) on their respective due dates due to dishonour of payment mandate or non-registration of the payment mandate	< 5 Lacs	500
		5 – 50 Lacs	1000
		>50 Lacs – 2 Cr	1500
		>2 Cr	2000
(vi)	Loan Cancellation Charges (post cooling off period of 3 days)	5% of principal outstanding + applicable taxes	
(vii)	Field collection service charge	Rs. 500 per collection + applicable taxes	
(viii)	Statement or document retrieval charges	Duplicate NOC: Rs. 500 + applicable taxes	
(ix)	Legal Charges	Upto Rs. 30,000 + applicable taxes	
(x)	Recovery Charges	Upto Rs. 15,000 + applicable taxes	

PART 2 - OTHER QUALITATIVE INFORMATION

1	Clause of Loan agreement relating to engagement of recovery agents	In the event of default, the Lender shall communicate to the Borrower by the way of SMS or Email the details of recovery agent who is authorised by the Lender to approach the Borrower for recovery of Loan.	
2	Clause of Loan agreement which details grievance redressal mechanism	The Lender has designated a grievance redressal officer to redress the grievances of the Borrower. The details of the grievance redressal mechanism and the grievance redressal officer will be provided in the Schedule of the Loan Agreement. For further details, refer to the GRO Link: https://www.ltfinance.com/grievance-redressal	
3	Phone number and email id of the nodal grievance redressal officer	gro@ltps.com 1800 1020 476	
4	Whether the loan is, or in future maybe, subject to transfer to other Lender's or securitisation (Yes/ No)	Yes	
5	In case of lending under collaborative lending arrangements (e.g., co-lending/ outsourcing), following additional details may be furnished:		
	Name of the originating Lender, along with its funding proportion	Name of the partner Lender along with its proportion of funding	Blended rate of interest
	NA	NA	NA
6	In case of digital loans, following specific disclosures may be furnished:		
(i)	Cooling off/look-up period, in terms of Lender's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan	3 days	
(ii)	Details of LSP acting as recovery agent and authorized to approach the borrower	Will be provided when loan default occurs	

SCHEDULE A - COMPUTATION OF APR

Sr. No.	Parameter	Details
1	Loan amount (in Rupees)	((variable))
2	Loan Term (months)	((variable))
a)	No. of instalments for payment of principal, in case of non-equated periodic loans	NA
b)	Type of EPI Amount of each EPI (in Rupees) Nos. of EPIs	Monthly ((variable)) ((variable))
c)	No. of instalments for payment of capitalised interest, if any	NA
d)	Commencement of repayments, post sanction	((variable))
3	Interest rate type (fixed or floating or hybrid)	Fixed
4	Interest rate (Annualised)	((variable)) % p.a.
5	Total Interest Amount to be charged during the entire tenor of the loan as per the rate prevailing on sanction date (in Rupees)	((variable))
6	Fee/ Charges payable (in Rupees)	((variable))
A	Payable to the Lender	((variable))
B	Payable to third-party routed through Lender	((variable))
C	Total Outstanding from previous loan	((variable))
7	Net Disbursed amount (in Rupees)	((variable))
8	Total amount to be paid by the borrower (in Rupees)	((variable))
9	Annual Percentage Rate - Effective annualized interest rate (in percentage)	((variable)) % p.a.
10	Schedule of disbursement as per terms and conditions	One-time disbursement
11	Due date of payment of instalment and interest	((variable)) and monthly thereafter

ANNEXURE 2
TERMS AND CONDITIONS

The terms applicable to the “Loan” are provided below:

1. Classification of Assets & Example of SMA/NPA classification

Notwithstanding any other provisions of the sanction letter or the Loan Agreement and any rights available to the Lender under the applicable laws, the Lender shall, in compliance with RBI’s Clarification on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated November 12, 2021 as amended from time to time and /or as required/ directed by RBI (“RBI IRACP Norms”), classify and notify the Loan as an overdue account under day-end processes on the due date as per Lender’s internal processes.

Additionally, subject to the RBI IRACP Norms and applicable laws, as per the RBI IRACP Norms and applicable laws, the Lender shall classify the Loan as SMA or NPA on the relevant due date in accordance with the day-end process followed by the Lender. The SMA or NPA classification date and asset classification status of the Loan shall be as on the date of the Lender’ day-end process for the said Loan.

For the purpose of clarity, an example is provided below:

“If the due date of a loan account is March 31, 2021, and full dues are not received before the lending institution runs the day end process for this date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running the day-end process on April 30, 2021, i.e., upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2021. Similarly, if the account continues to remain overdue, it shall get tagged as SMA- 2 upon running day-end process on May 30, 2021, and if it continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2021.”

Upgradation of the account classified as NPA - loan accounts classified as NPAs may be upgraded as ‘standard’ asset only if the entire arrears of interest and principal are paid by the Borrower.

2. Schedule of Charges

To get information on the fees & charges applicable for your loan account, you can also click on https://bit.ly/Updated_SOC

3. Privacy Policy of DLA

This is the Data privacy Policy. For more information, kindly refer to the link provided - https://www.ltfinance.com/docs/default-source/default-document-library/data-privacy-policy.pdf?sfvrsn=729aba03_1

4. Repayment Schedule and Repayment Instalment

The repayment Schedule is drawn based on the terms and provided in Annexure 1 and is shared with the Borrower along with the welcome kit after disbursement of the Loan. The frequency of the repayment is on monthly basis.

The Borrower may voluntarily choose to pay the EMI(s) in advance/any amount prior to the due date. If such amount is equal to or more than the EMI, the same shall be appropriated by the Lender towards the next EMI/charges. In case, such amount is lesser than the EMI amount, the same shall be appropriated by the Lender towards the charges due, if any. In case no charges are due, such amount will be refundable to the Borrower. The Lender shall not be liable to pay any interest on any such amounts paid in advance.

An amount towards interest for the period between the date of disbursement of the Loan and the EMI interest start date (hereinafter “Broken Period Interest/BPI”) shall be included in the first EMI Amount and will be apportioned in the first Instalment amount.

5. Consent

The Borrower hereby provides its consent to the Lender, its employees, representatives and/or its agents: (i) to share, the information and details of the Borrower, including repayment history, for the purposes of customer verification, personalization of products or services, credit rating, data enrichment, marketing or promotion of the Lender's or related products, with its group companies, service providers, partners, banks, financial institutions, credit bureaus, statutory authorities and regulatory bodies, etc., (ii) to download and use its "Central Know Your Customer" (CKYC) record from the Central KYC Records Registry using its KYC Identifier for fulfilling KYC requirements, (iii) to process the personal information, including when obtained via KYC/e-KYC process, images and video data and images of my surroundings captured therein, for a period of 5 (five) years or as per the applicable law from the date of termination or expiry of this Agreement, and (iv) to call/ SMS/Email/ WhatsApp/Telegram, etc. the Borrower in relation to this Loan and/or other products/ services offered by the Lender and/or its partners. This consent overrides/ cancels the registration of the Borrower with the & National Do No Call Registry (NDNC) or "Do Not Disturb" (DND) service, with respect to the Lender, its employees, representatives and/or its agents. This consent is subject to the Lenders' privacy policy published/revised/amended on our website www.ltfinance.com

The Borrower authorizes the Lender to destroy the cheque(s) (if any) in the possession of the Lender upon repayment of the Loan together with all costs, charges and expenses, by the Borrower to the satisfaction of the Lender.

6. **Insurance** (This clause shall be applicable only if the Borrower has opted for insurance)

The Borrower has opted to buy insurance from the Lender's insurance partner(s) with funding from the Lender as stated herein.

7. **Legal Entity Identifier (LEI)**

Legal Entity Identifier ("LEI") code shall be submitted by applicable Borrowers as per regulatory guidelines. In case the Borrower fails to obtain LEI codes, such Borrowers shall not be sanctioned any new exposure nor shall be granted any renewal/enhancement of existing exposure and non-availability of LEI code shall lead to cancellation of undrawn limit.

8. **Interest Rate Determination**

To get information on the Interest rate model and gradation of risk, click https://bit.ly/LTF_InterestRateModel

9. **Compliance**

The disbursement of the loan shall be subject to acceptance of the terms mentioned herein including the annexures hereof, the execution of Loan Agreement, or any other documents as advised by the Lender and compliance of the terms and conditions therein. Further, the Lender reserves the right, without assuming any liability and without any prior notice, to cancel the loan if the requisite compliance (including documents) as communicated by the Lender are not complied with.

10. **Disbursement**

The loan will be disbursed subject to the execution of a Loan Agreement or other documents as advised by us. Please submit your post sanction documents for disbursement. The actual/exact instalment amount, disbursement date and first EMI date may vary based on the actual date of disbursement of the Loan Amount and will be communicated in the Repayment schedule/ Welcome kit shared post actual disbursement.

It is also agreed between the parties that the Annualised Percentage Rate (APR) may vary by +2% depending on the actual date of disbursement.

11. **Customer Service**

For any service-related requirement, you may reach out to our dedicated customer service help desk at 1800-268-0000 or customercare@lfs.com .

12. **Grievance Redressal**

In case you are not satisfied with the resolution offered, you may further reach out to us at <https://www.ltfinance.com/grievance-redressal>

13. **Validity of Sanction Letter**

The sanction letter is valid for 30 Days from the date of first login i.e. ((created_date_time)) of application no. ((application_Id)).

DISCLAIMER: Please note that Lender never asks for payment of any commission/charges for applying for any type of loan. Neither of the employees, or its agents or any other person are in any way AUTHORIZED to ask for cash/ online payment for applying loan. Please do not make any payment to any personal QR codes or links without receipt from authorized staff of the Lender. Please note the Lender shall not be responsible for any such payment transactions made to any personal QR codes or links if they are not received from any authorized staff.

Terms and Conditions apply. Credit is at the sole discretion of L&T Finance Limited

**SCHEDULE B –
REPAYMENT SCHEDULE UNDER EQUATED PERIODIC INSTALLMENT**

Annual interest rate	
Loan term (in years)	
Payments per year	
Loan amount	

Total payments	
Total interest	

Period	EMI	Interest	Principal	Balance
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				