Sanghamithra Rural Financial Services

Terms and Conditions of the Loan

1) At the time of disbursement, loan processing fee plus GST and insurance amount as per the sanction details will be deducted from the final disbursement amount.
2) A Mandatory life insurance policy with a sum assured equivalent to the loan amount is offered to clients for the duration of the loan term.
3) To avail the life insurance facility, the borrower shall pay the insurance premium of Rs.5.40 perthousand for two years, Rs.9.00 per thousand for 3 years per person as charged by the insurance provider.
4) To avail the Hospicash insurance facility, the borrower shall pay the insurance premium of Rs.175 rupees per year per person as charged by the insurance provider.
5) Only the actual cost of insurance is payable by the borrower.
6) The applicant shall ensure that their annual household income should not exceed Rs 3,00,000.
7) The applicant shall ensure that Total EMI obligation does not exceed 50% of their Household income.
8) The applicants may pre-pay the loan without penalty
9) The loan is offered without collateral/ security deposit/ margin money.
10) The interest is charged on reducing balance basis.
11) The Company has the permission of sharing the client data with credit information bureau, insurance companies, Government regulators, funders and MFI associations as and when required.
12) The applicants shall use the loan for the intended purpose only, as stated in the application form.
13) The group members must ensure proper code of conduct within the group, and with the Company staff during the course of loan Tenure.
14) The loan amount will be disbursed to borrower within 10 working days from the date of sanction.
15) The loan amount cannot be used for the excluded activities as per the Credit Policy of the Company.
16) The Company shall be entitled to sell, assign, securitize or transfer its rights and obligations under this loan agreement in favour of any bank(s) or financial institution(s) or any other person(s) or agency of the Company's choice in whole or in part of such manner and on such terms and conditions as the Company may decide and the same shall conclusively be binding on the Borrower.
17) Interest will be calculated on the total outstanding of each month at contracted rate of interest, whereas the recovery EMI's shall be on any pre-decided dates/ center meeting dates as applicable.
18) In case of grievances if any in loan related issues, the borrower/ client may approach respective Cluster Office/ Regional Office.

The above facilities will be made available to customers on the above terms subject to compliance of the general conditions and execution of loan documents as per Company's guidelines. The Company reserves the right to discontinue the facility and to withhold / stop any disbursements without giving any prior notice in case of non-compliance / breach of any terms and conditions stipulated herein, and if the relevant documents or any information / particulars furnished to us is found to be incorrect, or in case of any development or situations in the opinion of the Company, where its interest will be / is likely to be prejudicially affected by such continuation of service or disbursement. In any special circumstances, the Company holds the right to withhold disbursement at any stage of the loan process, without giving any reason thereof.

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