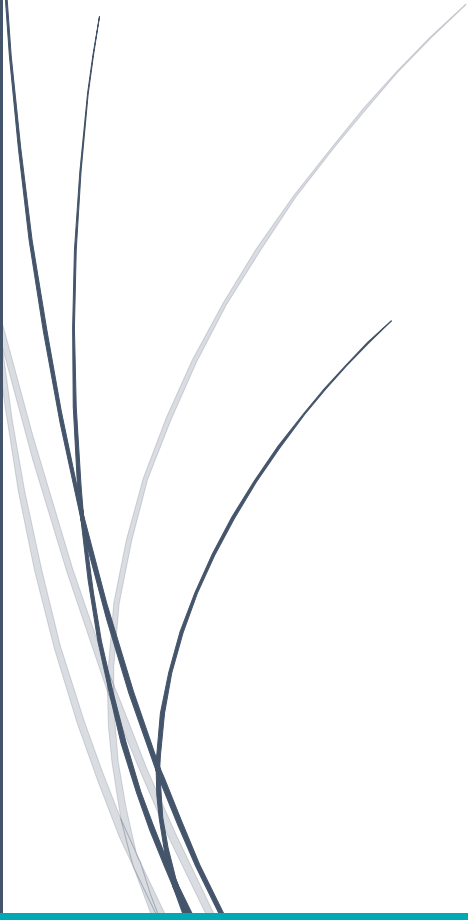


Fair Practices Code and Grievance Redressal Mechanism



S GUPTA HOLDING PRIVATE LIMITED
36, Kaushambi, Near Anand Vihar Terminal
behind Wave Cinema Ghaziabad, Uttar
Pradesh, India, 201010

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Fair Practices Code and Grievance Redressal Mechanism

DOCUMENT IDENTIFICATION INFORMATION

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|----------------------------|---|
| Document Name | Fair Practices Code and Grievance Redressal Mechanism |
| Index | Corporate Governance/ Compliance/Fair Practices/Grievance Redressal |
| Version | Version -2.0 |
| No. of Pages | 12 |
| Approving Authority | Board of Directors |
| Review Frequency | When significant changes occur to ensure its continuing suitability, adequacy, and effectiveness. |

Revision/Change History

| Version | Date of approval by the Board | Review Date |
|----------------|--------------------------------------|--------------------|
| 1.0 | 26.10.2024 | - |
| 2.0 | | |

This Code is issued by S GUPTA HOLDING PRIVATE LIMITED (hereinafter referred to as “Company” or “SGHPL”) and encompasses all affiliated entities, employees, and stakeholders associated with SGHPL operations.

1. Policy Statement

- 1.1. The Reserve Bank of India under Clause 45 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on March 21, 2024) has mandated the adherence of the board-approved Fair Practice Code.
- 1.2. This Code aims to provide its borrowers with an effective overview of the practices followed by the Company and to enable them to make informed decisions in respect of all the financial facilities and services offered by the Company.
- 1.3. The provisions in the policy apply to all the loans that the company may sanction and disburse.
- 1.4. The Company has the freedom to enhance the scope of the guidelines of this code but shall not sacrifice the spirit underlying the guidelines.

2. Objective of the Policy

- 2.1. This code has been structured with the objective of:
 - 2.1.1. Ensuring fair practices while dealing with all its customers.
 - 2.1.2. Greater transparency enables customers in having a better understanding of the key terms and conditions governing the grant of loan facility and make informed decisions.
 - 2.1.3. Promoting a fair and cordial relationship between customer and SGHPL.
 - 2.1.4. To achieve higher operating standards by encouraging market forces, through competition.

3. Definitions & Interpretations

- 3.1. “Board” means Board of Directors of S GUPTA HOLDING PRIVATE LIMITED.

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- 3.2. "Complaint" means any representation or allegation made in writing or through electronic means, containing a grievance alleging deficiency in service.
 - 3.3. "Company" means S GUPTA HOLDING PRIVATE LIMITED
 - 3.4. "Directors" means individual Director or Directors on the Board of the Company.

4. Application for Loan Processing

- 4.1. All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- 4.2. The loan documentation shall include all the necessary information which can affect the interests of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and an informed decision can be taken by the borrower.
- 4.3. The loan application form shall indicate the documents required to be submitted with the application form.
- 4.4. The Company shall issue an acknowledgment receipt for all loan applications. The acknowledgment so issued shall include the time frame within which the loan applications will be disposed of.
- 4.5. The Company shall disclose all the charges/fees/penalties/interests etc. related information to a prospective borrower in the Sanction Letter. The borrower shall not be charged any amount that is not explicitly mentioned in the letter.

5. Loan Appraisal & Associated Terms

- 5.1. The Company shall issue a sanction letter/any other means in writing to the borrower in the vernacular language of his understanding. The document shall contain the amount of loan sanctioned, terms and conditions, annual rate of

interest, and method of application, and shall keep the terms and conditions accepted by the borrower on its record.

- 5.2. SGHPL shall mention the penal interest that shall be charged to the borrower for late repayment in bold in the loan agreement.
- 5.3. The Company shall furnish a copy of the loan agreement and enclosures quoted in the loan agreement to all the borrowers at the time of sanction/disbursal of loans.

6. Interest Rate

- 6.1. The interest rate shall be charged from the date of actual disbursement of the funds and not from the date of sanction of loan/execution of loan agreement.
- 6.2. In the event of disbursal or repayment of loans during the course of the month, the Company shall charge interest only for the period for which the loan was outstanding and not for the entire month.
- 6.3. The Company shall not collect one or more instalments in advance but reckon the full loan amount for charging interest.
- 6.4. The Company has a separate '**Interest Rate Policy**' wherein the applicability of the Interest Rate Charged/Fees and other charges mandated by RBI under the above-mentioned master direction are strictly adhered to by the Company and the same shall be put on the website of the Company.

7. Loan Disbursement & Change in Terms & Conditions

- 7.1. SGHPL shall give notice to the borrower in the vernacular language of his understanding, of any change in the terms and conditions, disbursement schedule, interest rates, service charges, etc.

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- 7.2. The Company shall ensure that any changes in the interest rate are affected only prospectively. A suitable condition in this regard shall be incorporated into the loan agreement.
 - 7.3. The decision to recall/ accelerate payment or performance under the Agreement shall be in consonance with the Loan Agreement.

8. Non-Discrimination Clause

- 8.1. SGHPL shall not discriminate in extending its products and facilities including loan facilities to its applicants on the grounds of gender, race, religion or on the grounds of disability to physically/visually challenged applicants.
- 8.2. The Company shall not discriminate in extending loan facilities to visually/physically challenged applicants on the grounds of disability.
- 8.3. The Company shall provide all possible assistance to such disabled applicants.
- 8.4. The Company shall have a suitable module containing the rights of persons with disabilities guaranteed to them by the law and international conventions, in all the training programmes conducted for their employees at all levels.
- 8.5. The Company shall have a proper system of Grievance Redressal Mechanism for persons with disabilities.

9. Responsibility of the Board of Directors

- 9.1. The Board of Directors shall lay down an appropriate grievance redressal mechanism within the Company.
- 9.2. The Mechanism shall ensure that the disputes arising out of the decisions of the Company are heard and disposed of at least at the next higher level.

10. Mode of Communication

10.1. This Code shall be in the vernacular language, or the language as understood by the borrower.

11. Public Disclosure

11.1. The Company shall put the board-approved Fair Practice Code and Grievance Redressal Mechanism on its website.

12. Regulation of Excessive Interest Charged

12.1. The Board of the Company shall adopt an appropriate interest rate model taking into account relevant factors such as cost of funds, margin, and risk premium, and determine the rate of interest to be charged for loans and advances.

12.2. The rate of interest, the approach for gradation of risk, and the rationale to charge different rates of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

12.3. The rates of interest and the approach for the gradation of risks shall be made available on the **website of the company** or published in the **relevant newspapers**. The information so published shall be updated as and when there are any changes in the rates of interest.

12.4. The rate of interest shall be charged annually so that the borrower is aware of the exact rates that shall be charged to the account.

12.5. SGHPL shall charge a reasonable rate of interest that is both sustainable and conform to normal financial practice.

12.6. The Board of SGHPL shall lay out appropriate internal principles and procedures in determining interest rates, processing, and other charges.

12.7. The guidelines in the Code concerning transparency with respect to terms and conditions of the loans shall be kept in check.

13. Miscellaneous

13.1. The Company shall refrain from interference in the affairs of the borrower except for the purpose provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the borrower, has been noticed).

13.2. In the event of a request from the borrower for the transfer of the borrowal account, the consent or otherwise, if the Company has an objection to the same it shall be conveyed to the borrower within 21 days from the date of receipt of request. Such transfer shall be as per the transparent contractual terms in consonance with the law.

13.3. To recover outstanding dues, the Company shall not resort to,

- (i) intimidation or undue harassment of any kind meaning verbal or physical against any person in their debt collection efforts,
- (ii) shall not be bothering persistently to the borrowers at odd hours,
- (iii) humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends,
- (iv) sending inappropriate messages either on mobile or through social media,
- (v) making threatening and/ or anonymous calls,
- (vi) making false and misleading representations,
- (vii) use muscle power for recovery of loans/overdue amount,
- (viii) rude behaviour by Company's staff,

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- 13.4. The Company or its representatives shall not call delinquent customers/borrowers beyond 08:00 hours to 19:00 hours, unless special circumstances of the borrower's business require them to call.
 - 13.5. The Company shall provide training to its staff to ensure they engage with customers in a professional and appropriate manner.
 - 13.6. The Company shall not charge foreclosure charges/pre-payment penalties on any floating rate term loan sanctioned to individual borrowers.
 - 13.7. The Company shall arrange for enforcing security charged to it of the delinquent borrower, if required, with an aim only to recover dues and will not be aimed at whimsical deprivation of the property.
 - 13.8. The Company shall ensure that the entire process of enforcing its security, valuation and realization thereof be fair and transparent.

14. Privacy of the Customer Information

- 14.1. Customer's information shall be kept strictly confidential and private. It shall be disclosed to the third party only if Customer has been informed about such disclosure and consent has been obtained in writing, if there is a duty to the public to reveal such information, or as per the requirement of law.

15. Grievance Redressal System

- 15.1. SGHPL shall establish a Grievance Redressal Mechanism to effectively address and resolve customer complaints and concerns. This mechanism shall ensure that grievances are handled in a timely, fairly, and transparent manner, in

accordance with the applicable regulatory guidelines and company policies.

15.2. The Customers who are to provide feedback or send in their complaints may use the following channels between **00:00 hours to 00:00 hours** from **Monday to Saturday**. Following are the details of the Grievance Redressal officer:

(i) **Name of the Grievance Redressal Officer: Mr. Vinay Gupta**

(ii) **Contact Details:-**

Email: info@sgholding.co.in

Call at: +0120 4041400

Address: 36, Kaushambi, Near Anand Vihar Terminal behind Wave Cinema Ghaziabad, Uttar Pradesh, India, 201010

15.3. The Company shall display the contact details of the Grievance Redressal Officer on their website, branch offices, or places where business is transacted.

15.4. The designated officer shall ensure that the genuine grievances of customers are redressed promptly and without delay. It shall be indicated that the Grievance Redressal Machinery of the SGHPL will also deal with the issue relating to services provided by the outsourced agency.

15.5. If the complaint has been received in writing, SGHPL shall endeavour to send an acknowledgment/response within **5 working days**. After examining the matter, the Company shall endeavour to send the customer its final response within one month/30 days or an intimation within one month/30 days seeking more time.

15.6. In case the complaint/ dispute is not redressed within a period of one month, the customer may write to –
General Manager, Department of Non-Banking Supervision,

Reserve Bank of India, Mahatma Gandhi Road Kanpur-
208001, Uttar Pradesh

Ph.: 0512 230 5949 Email: doskanpur@rbi.org.in

15.7. Details of the Grievance Redressal Officer along with the details of the escalation mechanism shall be available on the website and branches of the Company.

16. Approval, Review and Updates

16.1. The Fair Practices Code and Grievance Redressal Mechanism of the SGHPL shall be approved by the Board of the Company.

16.2. The Board shall review the compliance of the Fair Practice Code and the functioning of the grievance redressal mechanism at various levels of management by the Company as and when required on the needs of the company, or the compliance of the amended guidelines/regulations issued by the RBI.