

Sattva Holding and Trading Private Limited

Fair Practices Code

Version: 6.0
(Version Date: 28th March, 2025)

Policy Custodian:

Division	Investment
Officer In-Charge	Principal Officer
Policy Contact	Percy.dajee@hitechgroup.com

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1. Background

The Reserve Bank of India ["RBI"] has, under the Reserve Bank of India Act, 1934 ["RBI Act"], issued the Core Investment Companies (Reserve Bank) Directions, 2016 ["the CIC Directions"].

The Company, being a Core Investment Company registered U/ s 45-IA of the RBI Act as a CIC-ND-SI, is engaged in investment and financing activities to its entities in the Group.

In view of the above, the Company has voluntarily adopted this policy document, which codifies the fair practices requirements the Company is expected to follow while undertaking business with customers.

2. Objectives

The objective of this policy is to:

- a. lay down a codified framework for best practices to be followed by the Company and all of its employees/ representatives in dealing with customers/ prospective customers.
- b. Disseminate the policy guidelines in an effective manner to all stakeholders in general and to the Companies in the Group in particular.
- c. Review & reinforcement mechanism to ensure high level of adherence to Fair Practices Code.
- d. Establish a mechanism for constantly receiving feedback / grievances from Companies in the Group in order to improve the implementation of Fair Practices Code.

3. Scope

This Fair Practices Code applies to all the categories of products and services offered by the Company (Both currently offered and/ or which may be offered at a future date), and is to be adhered to, in letter and spirit, by all the employees / representatives of the Company.

Commitments outlined in this Code are applicable under normal operating environment. In the event of force majeure, the Company may not be able to fulfil the commitments under this Code.

In case of any discrepancy between this policy and any executed agreements, the terms and conditions of that agreement, insofar as they are distinct from this code, shall supersede this policy.

Any directions issued by RBI and / or the applicable directions, as amended from time to time, shall supersede this policy.

4. **Key Commitments**

The Company's key commitments are as under:

- a. The Company is to act fairly and reasonably in all the dealings by:
 - i. Meeting the commitments and standards in this Fair Practices Code for the financial products and services offered, and the procedures and practices followed;
 - ii. Ensuring that the Company's products and / or services are in compliance with the relevant laws and regulations;
 - iii. Making the Company's dealings rest on ethical principles of integrity and transparency;
 - iv. Providing professional, courteous and speedy services;
 - v. Providing accurate and timely disclosure of terms and conditions, costs, rights and liabilities as regards financial transaction.
 - vi. Not engaging in unlawful and/ or unethical practices
- b. The Company is to help understand how the financial products and/ or services work by:
 - i. Ensuring that any advertising & promotional literature published is clear and is not misleading;
 - ii. Giving verbal information that is consistent with the literature shared;
 - iii. Explaining financial and legal implications of the transactions
- c. The Company is to deal quickly and sympathetically with the complaints / queries by:
 - i. Offering channels to route the complaints/ queries
 - ii. Correcting mistakes / errors expeditiously
 - iii. Assisting stakeholders to taking their complaints forward if they are not satisfied;

- iv. Reversing any charges that the Company has applied erroneously, on an urgent basis.
- d. The company is to disseminate accurate information to:
 - i. Allow the Companies in the group to have clear information explaining the key features of the services and products
 - ii. Inform the documents / necessary information the Company needs from them to establish true identity and address and, other documents to comply with legal and regulatory requirements.
 - iii. Give an exact idea on how the selected product or service will be implemented on the company's end and what all compliances need to be done on the customer's end.
 - iv. Provide details regarding the charges for any service or product, before the company provides that service or product.
- e. The Company is to have copies of this code available for customer on request.

5. Non-Discrimination

The Company is strictly prohibited to engage in any form of discrimination on the basis of gender, race, religion or on the grounds of disability. Any complaints for violation of the same are to be communicated immediately to the Grievance Redressal Officer of the Company, whose communication details have been stated in Annexure 1 of this policy.

6. Application for Loans and their Processing

- a. The Company's official language for all communications within the Company or with third parties is to be English;
- b. A declaration is to be obtained before / along with the application to the effect certifying that they agree to business dealings to be conducted in English.
- c. The Company may also use an application kit in language as understood by the borrower if the Customer/representative of the group companies does not understand English.
- d. The Application Form of the Company for each of the products offered may be different depending upon the requirement of each product and shall include all information that is required to be submitted by the Borrower. Necessary information should also be provided by the Company to facilitate the Borrower in making a meaningful comparison with similar terms and conditions offered

by other Lending Institutions and taking an informed decision based on the aforesaid comparison.

- e. The Application Form of the Company shall also indicate the list of documents required to be submitted by the Borrowers along with the Application form.
- f. All communications to the borrower shall be in English (Provided certification to that effect is obtained) or in the language as understood and confirmed by the borrower.
- g. The Company shall give a formal receipt acknowledgement of Loan Applications from its Borrowers / Prospective Borrowers. The Company shall inform the borrower about its decision within reasonable period of time from the date of receipt of all the information required in full.
- h. The Company may conduct contact point verification through its employees or through an agency appointed by it depending on the risk categorization of the client.

7. Loan Appraisal and Terms & Conditions

- a. The Company shall conduct a due diligence on the creditworthiness of the borrower, which shall be an important parameter for taking a decision on the application.
- b. The Company shall convey in writing to the borrower, in English or in the language as understood and confirmed by the borrower, by means of a written sanction letter of the amount of loan sanctioned or otherwise. The said letter shall contain the terms and conditions including the annualized rates of interest and method of application thereof and keep the acceptance of these terms and conditions in the Company's records.
- c. The rate of interest should be annualised rates so that the borrower is aware of the exact rates that would be charged to the account.
- d. Annual Percentage Rate (APR) shall be separately disclosed in Key Fact Statement (KFS) issued to customer along with other items as prescribed by RBI to be incorporated in KFS
- e. The rate of interest and the approach for gradations of risk and rationale for charging different rate 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 / KFS.
- f. The Company shall obtain an acceptance from the borrower on the said sanction letter with the borrower's signature under the caption "**I/WE ACCEPT ALL THE TERMS AND CONDITIONS WHICH HAVE BEEN READ AND UNDERSTOOD BY MF/US.**" The company shall maintain a record of such acceptance.

- g. The terms and conditions may mention penal charges for late payment or other charges for breach in Material Terms and Conditions. The same shall be disclosed in bold in the Loan Agreement / Sanction Letter / KFS.
- h. The Company shall furnish a copy of loan agreement along with a copy of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction / disbursement of loans. The company shall ensure that the loan agreements and enclosures furnished to all borrowers contain the terms and conditions and the rate of interest in the form of a term sheet, which shall be annexed to the loan agreement.

8. Penal Charges in Loan Accounts

- a. The company shall ensure that penalty if charged for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. There shall be no capitalisation of penal charges i.e., no further interest computed on such charges.
- b. The company shall ensure that the quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan/product category.
- c. The penal charges in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges to nonindividual borrowers for similar non-compliance of material terms and conditions
- d. The quantum and reason for penal charges shall be clearly disclosed by NBFCs to the customers in the loan agreement and most important terms & conditions/Key Fact Statement (KFS) as, in addition to being displayed on websites of NBFCs under Interest rates and Service Charges.
- e. The company shall ensure that whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.

9. Disbursement of Loans (Including changes in Terms & Conditions)

- a. The Company shall give notice in English or language as confirmed by the Borrower.
- b. The disbursement shall be done immediately upon compliance of all terms and conditions of the sanction by the borrower;
- c. The Company shall give notice in writing to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, services charges, prepayment charges etc. The Company shall also ensure that changes in interest rates and charges are affected only prospectively. This clause shall be covered in the loan agreement as well;
- d. Decision to recall / accelerate payment or performance under the Agreement shall

be in consonance with the respective loan Agreement.

- e. The Company shall release all securities of its Borrower only on repayment of all dues by such Borrower, or only on realization of the outstanding amount of the Borrower's availed limit, subject to any legitimate right or lien for any other claim which the Company may have against its Borrower. If such right of set off is to be exercised, the Borrower shall be given notice in writing about the same with full particulars about the remaining claims and conditions under which the Company will be entitled to retain the securities till the relevant claim is settled or paid by the Borrower. Due No Objection certificate shall be issued to the customer on fulfilment of said terms within 30 working days of completion of formalities.

10. Release of movable/immovable property documents on repayment/ settlement of personal loans

- a. The company shall release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/settlement of the loan account.
- b. The borrower shall be given the option of collecting the original movable/ immovable property documents either from the banking outlet/branch where the loan account was serviced or any other office of the company where the documents are available, as per her/his preference.
- c. The timeline and place of return of original movable/immovable property documents shall be mentioned in the loan sanction letters / KFS issued on or after the effective date.
- d. In order to address the contingent event of demise of the sole borrower or joint borrowers, company shall have a well laid out procedure for return of original movable/immovable property documents to the legal heirs. Such procedure shall be displayed on the website of the company along with other similar policies and procedures for customer information

Compensation for delay in release of movable/immovable property documents

- a. In case of delay in releasing of original movable/immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/ settlement of loan, the company shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the company, it shall compensate the borrower at the rate of ₹5,000 for each day of delay.
- b. In case of loss/damage to original movable/immovable property documents, either in part or in full, company shall assist the borrower in obtaining duplicate/certified copies of the movable/immovable property documents and shall bear the associated costs, in addition to paying compensation as indicated at the above clause. However, in such cases, an additional time of 30 days will be available to the company to complete this procedure and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).

11. General Considerations

- a. The Company shall strictly refrain from interference in the affairs of the borrower except for the purposes provided in the Loan Agreement unless new information not earlier disclosed by the Borrower has come to the notice of the Company.
- b. In the matter of recovery of loans, the Company shall strictly resort only to remedies which are legally and legitimately available to it and shall at no point in time resort to any form of undue harassment like bothering the borrowers at odd hours / use of muscle power for recovery of loans.
- c. The Company shall ensure that the entire process of enforcing its security, valuation and realization thereof is fair and transparent.
- d. The Company shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.
- e. In case of receipt of a request from the borrower for transfer of the borrowal account, the consent or otherwise i.e. objection of the Company, if any, shall be conveyed within 21 days from the date of receipt of such request. Such transfer shall be as per transparent contractual terms in consonance with law.
- f. The Company shall not charge interest rate beyond a certain level which may be seen as excessive or not sustainable or not conforming to normal financial practices.

12. Confidentiality of Information

Unless authorized by the customer, the Company will treat all personal information as private and confidential. The Company will not reveal transaction details to any other entity including within the group other than the following exceptional cases:

- a. If the Company is required to provide the information by statutory or regulatory laws (E.g. Furnishing information to FIU-Ind, Central Know Your Customer Registry, etc.)
- b. If there is a duty to the public to reveal this information (E.g. Furnishing Information to Credit Information Companies)
- c. If the Company has taken the customers permission in writing (for instance at the time of loan sanctioning) to provide such information to other companies in the group for providing other products or services
- d. Where the customer asks us in writing to reveal such information to other companies in the group for providing other services or products.

13. Regulation of Rate of Interest

- a. The Board of Director shall adopt an interest rate model for determining the rate of interest and the approach for gradations of risk and rationale for charging

different rate 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 / KFS

- b. The Company may give loan to its wholly owned subsidiaries at the zero percent or subsidised interest rate and/or at its discretion in compliance with the applicable provisions of the Companies 2013 and Directions issued by RBI from time to time and such other Rules, Regulations and Laws of applicable authorities.
- c. The information published in the website or otherwise published, if any, should be updated whenever there is a change in the rates of interest.
- d. The rate of interest should be annualised rates so that the borrower is aware of the exact rates that would be charged to the account.

14. Complaint Redressal Mechanism

- a. A grievance redressal mechanism within the organisation has been set up to resolve disputes / accept suggestions / feedback. This Forum shall ensure that all the disputes arising out of the decisions the Company's functionaries are heard and disposed of at least at the next higher level.
- b. The following information shall be displayed prominently, for the benefit of the customers, at all branches / places of the Company where business is transacted:
 - i. The name and contact details (Telephone / Mobile nos. as also email address, as given below) of the Grievance Redressal Officer who can be approached for resolution of complaints against the Company and the same shall also be provided in the Loan sanction form/ agreement.
 - ii. If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Department of Supervision, Reserve Bank of India, Mumbai Regional Office.

Note:

- The format of disclosure for (i) and (ii) shall be as per Annex-1 of this policy.
 - The above information shall also be disclosed on the website of the company
- iii. Educational Note for the customers for treatment of NPA/SMA as per RBI's regulatory requirements shall also be displayed on the website and the registered office for the benefit of the customer.

15. Repossession of Vehicle financed by the company

The company shall have a built-in re-possession clause in the contract/loan agreement with the borrower which must be legally enforceable. To ensure transparency, the terms and conditions of the contract/loan agreement shall also contain provisions regarding:

- (i) Notice period before taking possession;
- (ii) Circumstances under which the notice period can be waived;

- (iii) The procedure for taking possession of the security;
- (iv) A provision regarding final chance to be given to the borrower for repayment of loan before the sale/ auction of the property;
- (v) The procedure for giving repossession to the borrower; and
- (vi) The procedure for sale/auction of the property.

A copy of such terms and conditions must be made available to the borrower. company shall invariably furnish a copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction/disbursement of loans, which forms a key component of such contracts/ loan agreements.

16. Key Fact Statement

- a. The company shall provide a KFS to all prospective borrowers to help them take an informed view before executing the loan contract, as per the standardised format given by the RBI
- b. The company shall ensure that the KFS shall be written in a language understood by such borrowers. Contents of KFS shall be explained to the borrower and an acknowledgement shall be obtained that he/she has understood the same.
- c. The KFS shall be provided with a unique proposal number and shall have a validity period of at least three working days for loans having tenor of seven days or more, and a validity period of one working day for loans having tenor of less than seven days.1
- d. The KFS shall also include a computation sheet of annual percentage rate (APR), and the amortisation schedule of the loan over the loan tenor. APR will include all the charges which are levied by the company
- e. Charges recovered from the borrowers by the company on behalf of third-party service providers on actual basis, such as insurance charges, legal charges etc., shall also form part of the APR and shall be disclosed separately. In all cases wherever the charge is involved in recovering such charges, the receipts and related documents shall be provided to the borrower for each payment, within a reasonable time.
- f. Any fees, charges, etc. which are not mentioned in the KFS, cannot be charged by the company to the borrower at any stage during the term of the loan, without explicit consent of the borrower.
- g. The KFS shall also be included as a summary box to be exhibited as part of the loan agreement.

17. Loan facility to the physically/visually challenged by NBFCs

The company shall not discriminate in extending products and facilities including loan facilities to physically/visually challenged applicants on grounds of disability. All branches of company shall render all possible assistance to such persons for availing of the various business facilities. The company shall include 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. Further, company shall ensure redressal of grievances of persons with disabilities under the Grievance Redressal Mechanism already set up by them.

Effective Date

This policy version 6.0 has been adopted at the Company's Board of Directors meeting held on 28th March, 2025 and shall stand applicable organization wide with effect from the said date.

Annex-1

Contact Details of Designated Officers of the Company

	Principal Officer (under PML Act)	Designated Director (under PML Act)
Name	Mr. Percy Jal Dajee	Mr. Malav Ashwin Dani
Address	205, Welspun House, Kamala City Lower Parel West Mumbai - 400013	Home Villa Chs Ltd, 48 Krishna Sanghi Path, Gamdevi, Mumbai -400007
Tel. No.	022-40016500, 98213 45841	022-40016500
Email ID	percy.dajee@hitechgroup.com	malav.dani@hitechgroup.com

Contact Details of Complaint Redressal Mechanism

	Level 1 Officer	Grievance Redressal Officer
Name	Mrs. Harshhika Limbachia (w.e.f 1 st April, 2025)	Mr. Percy Jal Dajee
Address	205, Welspun House, Kamala City Lower Parel West Mumbai - 400013	205, Welspun House, Kamala City Lower Parel West Mumbai - 400013
Tel. No.	022-40016500	022-40016500, 98213 45841
Email ID	harshhika.limbachia@hitechgroup.com	percy.dajee@hitechgroup.com

Regional Office of Reserve Bank of India:

Department of Supervision,
Reserve Bank of India,
Mumbai Regional Office,
Post Bag No. 901
Main Building, Shahid Bhagat Singh Marg,
Mumbai 400001, Maharashtra, India

Note:

The Customer may obtain for a copy of the following from the Reception:

- a. Fair Practices Code of the Company
- b. Company's Policy on Interest Rates charged

The customer can write their complaints to the Grievance Redressal Officer via email at the above stated Email ID. If the customer does not obtain satisfactory resolution of the grievances, the same can be escalated to the Reserve Bank of India at the abovementioned address.