SAYYAM INVESTMENTS PRIVATE LIMITED

Fair Practice Code

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FAIR PRACTICE CODE

1. INTRODUCTION

SAYYAM INVESTMENTS PRIVATE LIMITED **("the Company" or "Sayyam")** is a Non-Banking Finance Company **("NBFC")** registered with Reserve Bank of India **("RBI")**. The Company is presently engaged in the business of providing term loans and advances.

The Company has put in place the Fair Practices Code **("FPC" or "Code")** in conformity with the with the Chapter III of the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 dated November 28, 2025 and has been duly approved by the Board of Directors. The FPC sets out the principles for fair practices, transparency & adequate disclosures to be adopted by NBFCs while dealing with its borrowers.

This FPC applies to all categories of products and services offered by the Company.

This FPC shall apply across all aspects of the Company's lending business operations including digital lending, marketing, loan origination, processing, servicing, collection activities etc. This version of the FPC, once approved by the Board, shall supersede all previous versions of the FPC, if any.

The Company shall ensure compliance with 'the Reserve Bank- Integrated Ombudsman Scheme, 2021', as and when it becomes applicable to the Company.

2. OBJECTIVE OF CODE

The objectives of this FPC are as follows:

a) To promote good practices and ensure good practices in dealing with borrowers;
b) To promote a fair relationship between the borrower and Company;
c) To ensure compliance with legal norms in matters relating to recovery of advances;
d) To strengthen mechanisms for redressal of borrower grievances;

3. KEY COMMITMENTS

The Company's key commitments to borrowers:

a) Act fairly and reasonably in all their dealings with borrowers by:
   - Meeting the commitments and standards specified in the Code, for the products and services which the Company offers and, in the procedures and practices its staff follows;
   - Making sure that Company's products and services meet relevant laws and regulations applicable to it;
   - Company's dealings with borrowers will rest on ethical principles of integrity and transparency.

b) Help borrowers understand how company's product works by explaining their financial implications.

c) Deal quickly and sympathetically with things that go wrong by:
   - Correcting possible errors;
   - Handling borrower's complaints;
   - Educating borrowers how to take their complaint forward if they are still not satisfied

d) Publicize the Code, display it on Company's website and have copies available for borrower on request.

4. APPLICATIONS FOR LOAN & THEIRPROCESSING

a) The Company offers financial products in loan category.

b) The Company shall convey all communications to the borrower in a language as understood by the borrower or the vernacular language of the borrower upon request of the borrower.

c) Loan application agreement (physical or digital) of the Company shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower.

d) The loan application shall indicate the documents required to be submitted / uploaded with the application.

e) The Company shall provide or send, to the prospective borrower an acknowledgement of receipt of loan application after receipt of the complete information as per the standard application format. An indicative time frame within which loan applications shall be disposed of would be mentioned in such acknowledgement.

f) Applications complete in all respects shall be processed within a reasonable time frame. In case the proposal is not approved by the Company, the borrower shall be intimated accordingly.

5. LOAN APPRAISAL AND TERMS & CONDITIONS

a) The Company will ensure that there is proper assessment of loan application made by borrowers. The assessment shall be in line with Company’s credit policies and procedures.

b) The Company shall convey in writing to the borrower by means of sanction letter and/or loan agreement or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and shall keep the acceptance of these terms and conditions by the borrower on its record. The Company shall make available information related to interest rates on its website also.

c) The Company’s digital platform and risk assessment model requires digital acceptance of all terms and conditions of the loan. It includes Digital mode or Clickwrap or clickthrough or OTP acceptance on loan agreement &/or terms & conditions.

d) Company shall furnish a copy of the loan agreement as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to all the borrowers at the time of disbursement of loans.

e) The terms and conditions of the respective financial product of the Company shall be applicable for all borrowers without discrimination.

6. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

a) The Company shall give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company shall also ensure that changes in interest rates and charges are effected only prospectively.

b) Decision to recall / accelerate payment or performance under the agreement should be in consonance with the loan agreement.

c) The borrower shall enter into an agreement with the Company by providing consent via click wrap / Digital mode / Electronic signature etc., to all standard and specific terms and conditions before seeking disbursement.

7. GENERAL

a) The Company will refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement or as consented by borrower on the terms and conditions as part of onboarding & disbursement process.(unless 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 will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. To avoid rude behaviour from the operational personnel engaged in recovery for the Company, Company shall ensure training is provided to the recovery agents and have put in place a code of conduct to deal with the borrowers in an appropriate manner.

c) The Company shall formulate a comprehensive Code of Conduct for recovery of dues from borrowers, which will serve as a guiding framework for all recovery-related activities. This Code shall be fully aligned with the Recovery Policy issued by the Company and shall outline the principles, standards, and ethical practices to be followed by employees and authorized recovery agents.

d) The Company shall charge interest rate, processing fees or other charges in accordance with the Company's internal policies only.

e) There shall be no discrimination in extending loans and other financial products to the physically / visually challenged applicants on ground of disability subject to the eligibility criteria as per Company's internal credit standards and policies.

f) Fair Practices Code based on the guidelines outlined hereinabove should be put in place by the Company with the approval of Board.

g) Company shall have the freedom of drafting the Fair Practices Code, enhancing the scope of the guidelines but in no way sacrificing the spirit underlying the RBI Fair Practice Code guidelines. The same should be put up on their web-site, if any, for the information of various stakeholders.

h) Company shall obtain borrower consent for data collection, usage, and sharing with third parties. Data shall be handled per the Digital Lending Guidelines, with privacy policy disclosed on the website. Borrowers have the right to data access/correction and to opt-out.

8. GRIEVANCE REDRESSAL MECHANISM

a) The Company shall lay down the appropriate Grievance Redressal Mechanism within the organization. Such a mechanism should ensure that all disputes arising out of the decisions of Company's institutions functionaries are heard and disposed of at least at the next higher level.

b) The Board of Directors should also provide for periodical review of the Fair Practices Code and the Grievances Redressal Mechanism.

c) The Company shall also guide borrower who wish to lodge a complaint and also provide guidance on what to do in case the Borrower is unhappy with the outcome.

d) The following information / public notice shall be displayed prominently on website, for the benefit of the borrowers :
   i. the name and contact details (Telephone / Mobile nos. and also email address) of the Grievance Redressal Officer, who can be approached for resolution of complaints against the Company.
   ii. Grievance Redressal Mechanism for further grievance redressal process.

9. INTEREST RATE MODEL AND OTHER CHARGES

a) Board of the Company shall adopt the interest rate model taking into account relevant factors such as cost of equity, credit risk, opex cost, industry trend, etc. to determine the rate of interest to be charged for loans and advances.

b) The rate of interest and the approach for gradation of risk and rationale for different rates of interest to different categories of borrowers shall be disclosed to the borrower on the website and communicated explicitly in the loan sanction letter / agreement and/or other communication.

c) The Company shall make available information related to interest rates on its website also.

d) The rate of interest should be annualized rate so as to make borrower aware of the exact rates that would be charged to the account.

e) The Company shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges. In this regard the RBI guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans are to be kept in view.

f) The Company shall formulate a Board approved policy on penal charges.

g) The quantum and reason for penal charges shall be clearly disclosed to the borrowers in the loan agreement and most important terms & conditions/Key Fact Statement (KFS) as, in addition to being displayed on website policy.

10. ADDITIONAL NORMS FOR THE LOANS SOURCED OVER A DIGITAL LENDING PLATFORM

a) **Norms for Loans Sourced by the Company over Digital Lending Platform-** In case, the Company sources borrowers and/ or recovers dues through any digital lending platform (irrespective whether own digital lending platform or an outsourced platform), the Company shall abide by this FPC and regulatory instructions on outsourcing of financial services and IT services, in letter and spirit. If the Company engages any digital lending platform as its agent to source borrowers and/ or to recover dues, the Company shall ensure adherence with the following instructions:

- The names of digital lending platforms engaged as agents shall be disclosed on the website of the Company.
- Digital lending platforms engaged as agents shall be directed to disclose upfront to the customer, the name of the Company on whose behalf they are interacting with him.
- Immediately after sanction but before execution of the loan agreement, the sanction letter shall be issued to the borrower on the letter head of the Company.
- A copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement shall be furnished to all borrowers at the time of sanction/ disbursement of loans.
- Effective oversight and monitoring shall be ensured over the digital lending platforms engaged by the Company.
- Adequate efforts shall be made towards creation of awareness about the grievance redressal mechanism.

b) **Norms to be followed for the Digital Lending Business**- The Company shall ensure compliance with the following additional norms for its Digital Lending business:

- **Annual Percentage Rate (APR):** APR is the effective annualised rate charged to the borrower of a digital loan. APR should be based on an all-inclusive cost and margin including cost of funds, credit cost and operating cost, processing fee, verification charges, maintenance charges, etc., and exclude contingent charges like penal charges, late payment charges, etc.

- **Cooling off/look-up period:** A cooling off/ look-up period is the time window as determined by the Board of the RE which shall be given to borrowers for exiting digital loans, in case a borrower decides not to continue with the loan.

- **Digital Lending Apps/Platforms (DLAs):** Mobile and web-based applications with user interface that facilitate digital lending services.
- **Lending Service Provider (LSP):** An agent of a Regulated Entity who carries out one or more of lender's functions or part thereof in customer acquisition, underwriting support, pricing support, servicing, monitoring, recovery of specific loan or loan portfolio on behalf of REs in conformity with extant outsourcing guidelines issued by the Reserve Bank.

- **Key Fact Statement ("KFS"):** The Company shall provide a KFS, in the standard format prescribed by the RBI, to the borrower before the execution of the contract. The KFS shall, apart from other necessary information, contain:

Details of APR as all-inclusive cost of digital loans for the borrower
Details of grievance redressal officer designed specifically to deal with digital lending/ FinTech related matter,
Cooling-off/ look-up period which is currently offered for 1 day from the date of disbursal.

- **Loan Disbursal, Servicing and Repayment-** All loan servicing, repayment, etc., should be executed by the borrower directly in the Company's bank account. The disbursements shall always be made into the bank account of the borrower except for disbursals covered exclusively under statutory or regulatory mandate (of RBI or of any other regulator) or in a co-lending arrangement or disbursals for specific end use, provided the loan is disbursed directly into the bank account of the endbeneficiary.

- **Payment of Fees/ Charges:** Any fees, charges, etc., payable by the Company to its Lending Service Provider ("LSP") shall be paid directly by the Company to the LSP.

- **Copy of executed documents to be shared with the customer–** The Company shall ensure that digitally signed documents shall automatically flow to the borrowers on their registered and verified email/ SMS upon execution of the loan contract/ transactions.

- **List of LSPs-** The Company shall publish the list of Digital Lending Apps ("DLAs")/ LSPs engaged by it with the details of the activities for which they have been engaged, on its website.

- **Product Information-** The Company shall ensure that DLAs engaged by it, at onboarding/sign-up stage, prominently display information relating to the product features, loan limit and cost, etc. to the borrowers.

- **Details of Recovery Agent–** The Company shall communicate to the borrower, the details of the LSP acting as recovery agent who is authorised to approach the borrower for recovery.

- **Collection, Usage and Sharing of Data with Third Parties-** The Company shall ensure that any collection of data/ personal information by the DLAs/ LSPs, engaged by it, is need-based and with prior and explicit consent of the borrower. Further, the purpose of obtaining borrowers' consent shall be disclosed. The borrower shall be provided with an option to give or deny consent for use of specific data, restrict disclosure to third parties, data retention, revoke consent already granted to collect personal data and if required, make the app delete/ forget the data.

- The Company shall bind its DLAs to ensure that they desist from accessing mobile phone resources (of the borrower) like files, media, contact list, call logs, telephony functions, etc. However, one-time access may be taken from the borrower for camera, microphone, location or any other facility necessary for on-boarding/ KYC requirements only, with the explicit consent of the borrower.
- **Comprehensive Privacy Policy-** The Company shall ensure that DLAs and LSPs engaged by it have a comprehensive privacy policy compliant with applicable laws. Details of any third parties (where applicable) allowed to collect personal information through the DLA shall also be disclosed in the privacy policy.

- **No Automatic Increase in Credit Limit-** The Company shall ensure that there is no automatic increase in the credit limit unless explicit consent of borrower is taken on record for each such increase.

c) **Nodal Officer cum Grievance Redressal Officer-** The Company shall ensure that it and the LSPs engaged by them shall have a suitable Nodal Officer cum Grievance Redressal Officer to deal with FinTech/ digital lending related complaints/ issues raised by the borrowers. Contact details of Grievance Redressal Officers should be prominently displayed on the websites of the Company, and in the KFS provided to the borrower. Further, the facility of lodging complaints should also be made available on the DLA and on respective websites.

d) **Technology standards** – Company shall ensure that they and the LSPs engaged by them comply with various technology standards/ requirements on cybersecurity stipulated by RBI and other agencies, or as may be specified from time to time, for undertaking digital lending.

e) **Reporting to Credit Information Companies ("CIC")** – The Company shall ensure that any lending done through their DLAs and/or DLAs of LSPs is reported to CICs irrespective of its nature/ tenor. Extension of structured digital lending products by the Company and/or LSPs engaged by Company over a merchant platform involving short term, unsecured/ secured credits or deferred payments, need to be reported to CICs by the Company.

11. REVIEW

The Board of Director reserves the right to review the Fair Practice Code from time to time, annually at minimum and to carry out necessary changes, accordingly as and when required. The Company will abide by all guidelines, directive, instructions and advices of Reserve Bank of India as will be in force from time to time. The content in this document shall be read in conjunction with these guidelines, directives, instructions and advices. The Company will apply better practice so long as such practice does not conflict with or violate Reserve Bank of India regulations.

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