EVAM FINANCE PRIVATE LIMITED

India's Climate Finance Platform | RBI-Registered NBFC

FAIR PRACTICES CODE

Framework for Fair, Transparent & Non-Discriminatory Dealings with Customers

1. Introduction

Evam Finance Private Limited ("Evam") is an RBI-registered Non-Banking Financial Company focused on lending to India's climate-finance "missing middle". This Fair Practices Code ("FPC" or "Code") is adopted by the Board in line with the Reserve Bank of India's Fair Practices Code for NBFCs. The Code is intended to:

- Promote good, fair, and trustworthy practices by setting minimum standards in dealings with customers;
- Increase transparency so that the customer can have a better understanding of what they can reasonably expect from Evam's services;
- Foster confidence in the NBFC sector.

2. Regulatory Context

Evam Finance Private Limited ("Evam" or the "Company") is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI). This Policy is framed and maintained in accordance with applicable provisions of the Companies Act, 2013, the Reserve Bank of India Act, 1934, and the RBI Master Directions and Circulars applicable to NBFCs, including — without limitation — the RBI Master Direction on Scale-Based Regulation for NBFCs (as amended), applicable Fair Practices and Conduct guidelines, and the Company's Board-approved governance framework.

- RBI Fair Practices Code for NBFCs (under the RBI Master Direction on Scale-Based Regulation and its predecessor circulars);
- RBI directions on Key Facts Statement (KFS), transparency in disclosure of rates and charges;
- RBI circular dated 13 September 2023 on Responsible Lending Conduct — Release of Movable / Immovable Property Documents on Repayment / Settlement of Personal Loans;
- RBI circular dated 18 August 2023 on Fair Lending Practice — Penal Charges in Loan Accounts;
- Reserve Bank – Integrated Ombudsman Scheme, 2021, as applicable.

3. Applications for Loans and their Processing

- All communications to the borrower shall be in a language understood by the borrower (English and, where feasible, the regional vernacular).
- The loan application form shall indicate the list of documents required to be submitted along with the application, relevant to the product.
- An acknowledgement shall be provided for all loan applications received, indicating the approximate timeframe within which the application will be disposed of.
- If any additional information / document is required, the borrower shall be informed promptly.

4. Loan Appraisal and Terms / Conditions

- Each loan application shall be appraised per Evam's Credit Policy and underwriting standards.
- The sanction shall be conveyed in writing through a Sanction Letter, accompanied by the Key Fact Statement (KFS), specifying the amount sanctioned, interest rate (and whether fixed / floating), method of computation (and reset frequency for floating rate), fees and charges, penal charges for breach, repayment terms, security required, and any special conditions.
- Acceptance of the terms shall be obtained in writing from the borrower and kept on record.
- A copy of the loan agreement and all enclosures referenced therein shall be provided to the borrower at the time of sanction / disbursement, free of cost.

5. Disbursement of Loans including Changes in Terms and Conditions

- Any change in terms and conditions — including the disbursement schedule, interest rates, fees, prepayment charges, etc. — shall be notified to the borrower in writing in a language understood by the borrower.
- Any changes in interest rates and charges shall be effected only prospectively, and a suitable condition in this regard shall be incorporated in the loan agreement.
- Decision to recall / accelerate payment or performance under the loan agreement, or to seek additional securities, shall be in consonance with the loan agreement.
- All securities shall be released upon repayment of all dues or upon realisation of the outstanding loan amount, subject to any legitimate right or lien for any other claim Evam may have against the borrower. If such set-off is exercised, the borrower shall be given notice and details.

6. Release of Property Documents

In line with RBI's Responsible Lending Conduct directions:

- Upon full repayment / settlement of the loan account, Evam shall release all original movable / immovable property documents and remove charges registered with any registry within 30 days of such repayment / settlement.
- The borrower shall be given the option to collect original documents either from the branch where the loan account was serviced or from any other office of Evam where the documents are available, as per his / her preference.
- Timeline and place of return of original documents shall be mentioned in the loan sanction letter.
- In the event of death of the sole / joint borrower, documents shall be released to the legal heirs in accordance with laid-down procedures.
- In case of delay in releasing original documents or in removing the charge, Evam shall communicate the reasons for such delay. Where the delay is attributable to Evam, compensation of ₹5,000 for each day of delay shall be paid to the borrower, in accordance with RBI directions.
- In case of loss / damage to original documents (in part or in full), Evam shall assist the borrower in obtaining duplicate / certified copies of the documents and bear the associated costs, in addition to

the compensation referred to above. The timeline for completing this procedure shall be 60 days (inclusive of the 30-day compensation period).

7. General — No Discrimination, Privacy & Dignity

- Evam shall not discriminate on grounds of religion, caste, gender, ethnicity, disability, or any other prohibited ground in any aspect of the lending relationship.
- Evam shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to Evam's notice).
- Privacy of customer information shall be respected and maintained per the Digital Personal Data Protection Act, 2023 and Evam's internal data protection standards.

8. Transfer of Borrower Accounts

- In case of receipt of a request from the borrower for transfer of the borrowal account to another lender, consent or otherwise (i.e., objection of Evam, if any) shall be conveyed within 21 days from the date of receipt of request.
- Such transfer shall be as per transparent contractual terms in consonance with all applicable law.

9. Collections & Recovery

- Evam does not resort to undue harassment — e.g., persistently bothering borrowers at odd hours, use of muscle power — for recovery of loans.
- Contact with the borrower shall ordinarily be between 8:00 a.m. and 7:00 p.m.
- All collection and recovery staff, including outsourced agents, shall be adequately trained to deal with customers in an appropriate manner, courteously and respectfully.
- Any grievance arising out of collection / recovery activity shall be dealt with as per the Grievance Redressal Policy.

10. Interest Rates & Penal Charges

- Evam adopts an interest rate model documented in the Interest Rate Policy. The approach to gradation of risk and the rationale for charging different rates to different categories of borrowers shall be disclosed to the borrower in the Sanction Letter / KFS.
- Rate of interest shall be annualised, so that the borrower is aware of the exact rates that would be charged.
- Penal charges, where levied, shall be for non-compliance of material terms and conditions of the loan contract. Evam does not levy penal interest (i.e., an additional interest component on default) — only penal charges, in line with RBI's circular of 18 August 2023 and the Company's Policy on Penal Charges.

- Penal charges shall not be capitalised to principal or compounded.

11. Complaints & Grievance Redressal

The Board has laid down an appropriate grievance redressal mechanism through the Grievance Redressal Policy. The essentials reproduced here for the customer's benefit:

- Level 1 — Customer may approach the branch / customer service through published contact details; resolution within 14 working days.
- Level 2 — If unsatisfied, escalate to the Grievance Redressal Officer (GRO) — contact published on the website. Final response within 30 days of original complaint date.
- Level 3 — Further escalation to the Principal Nodal Officer / Chief Compliance Officer. Response within 15 days of escalation date.
- Level 4 — If no response within 45 days, or unsatisfied with response, the customer may approach the Reserve Bank — Integrated Ombudsman (RB-IO) at https://cms.rbi.org.in or CRPC, Reserve Bank of India, Chandigarh, as applicable to NBFCs of the relevant category.

The name, address, and contact details of the GRO and PNO/CCO, along with the escalation matrix, shall be displayed at all branches/offices, on the Company's website, and in customer communications.

12. Language and Mode of Communication

- Key loan documents — Sanction Letter, Loan Agreement, KFS, MITC — shall be made available in English and, wherever practicable, in the vernacular language understood by the borrower.
- Digital communications (email, SMS, portal notifications) shall follow the same principles of clarity and accuracy.

13. Regulation of Excessive Interest Charged

The Board has adopted an Interest Rate Policy and internal principles and procedures for determining interest rates and processing / other charges. Rates of interest communicated explicitly in the sanction letter and KFS. Evam shall not charge interest rates that are usurious or manifestly excessive, judged in the context of cost of funds, risk, and market practice.

14. Lending against Collateral of Gold Jewellery (Not Applicable)

Evam does not currently undertake lending against gold jewellery. If introduced in future, the corresponding specific RBI guidelines will be incorporated in product-specific notes and this Code will be updated.

15. Digital Lending

Evam does not presently operate in the retail digital lending segment covered by the RBI Digital Lending Guidelines. Should Evam enter that segment, the full set of requirements under those guidelines — including Lending Service Provider (LSP) governance, data protection, direct credit to bank account, cooling-off period, and KFS in the regulator-prescribed format — will be implemented, and this Code will be amended accordingly.

16. Confidentiality

All personal information of the customer shall be kept strictly confidential and shall not be disclosed to any third party without the specific consent of the customer, except:

- Where disclosure is required by law or regulatory authority;
- Where disclosure is mandated under court order;
- Where there is a duty to the public to disclose;
- Where the customer's interest requires disclosure;
- Where sharing is with credit information companies / bureaus as permitted by law.