SEEDS

EMPOWERING DREAMS

FAIR PRACTICE CODE POLICY

APRIL 2026

❖ **Approved by the Board of Directors in the meeting dated 24th April 2026**

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1. BACKGROUND

The Fair Practices Code ("FPC") has been formulated in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, dated 28th November 2025, as applicable to NBFCs classified under the Base Layer.

Seeds Fincap Private Limited ("the Company") is registered with the Reserve Bank of India as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) and is classified under the Base Layer category. In view of the applicability of the aforesaid Directions, the Company has adopted this Fair Practices Code to ensure transparency, fairness, and adherence to regulatory standards in its dealings with customers and other stakeholders, as appliable to products offered by the Company.

2. KEY OBJECTIVES

The key objectives of putting in place the FPC are as follows: -

a) Act fairly and reasonably in all dealings with borrowers

b) Ensuring all products and services comply with FPC regulations

c) Maintain high standards of ethics, including honesty, integrity, and transparency in borrower interactions.

d) Ensure clear, simple and transparent communication with the borrowers including information about products offered and their features, benefits, and risks.

e) Ensure and efficient customer grievances mechanism for customers.

3. APPLICABILITY

The Fair Practices Code (FPC) shall be applicable: -

- across all branches and regions where it operates
- all products and facilities offered by the Company.
- All Employees of the Company, including outsourced service providers with respect to collection and recovery, as applicable to the Company.
- To outsourcing agencies, if any, in relation to sales, collection, recovery etc.

4. FAIR PRACTICES FOR LOANS

a) Loan Applications form

- All communication with the borrowers shall be in the language as understood by the borrowers.
- The Loan Application Form shall include all the necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by another lender can be made and informed decision can be taken by the borrower
- The Company shall provide the list of all the information/documents required from the borrowers/co-borrowers and their family members for the purpose of Loan.
- The Company shall send formal acknowledgement for receipt of all applications to the borrower.
- The Loan Application Form shall include a timeline within which the application shall be disposed of by the Company.

b) Sanction letter and Loan Agreement

- The Company shall share a sanction letter in the vernacular language or as understood by the borrower.
- The Sanction Letter shall contain the amount of loan sanctioned along with terms and conditions governing the loan including the annualized rate of interest and method of application thereof.
- The Company shall take formal acceptance of the terms and conditions from the borrower in writing to govern the loan and keep it in its record.
- The Company shall furnish a copy of the loan Agreement along with a copy of each of its enclosures to all the borrowers at the time of disbursement of loans in the vernacular language or as understood by the borrower.
- Penalties chargeable for late repayment shall be highlighted in bold in the loan Agreement.

c) Loan Servicing

- Any change in the terms and conditions including disbursement schedule, interest rate, service charges, prepayment charges, foreclosure charges, etc. shall be notified to the borrowers in writing in the vernacular language or as understood by the borrower.
- The company shall ensure that changes to interest rates are affected only prospectively as defined in the Loan Agreement.
- The Company shall ensure that interest is charged from the date of actual disbursement of funds/ handing over the cheque to the customer and not from the sanction of loan or execution of loan agreement/cheque dates.
- The Company shall ensure that in case of disbursal or repayment of loans during a month, Interest shall be charged only for the period for which the loan was outstanding.
  not for the entire month.
- In case of instalments received in advance, Interest shall be charged only on the loan outstanding after adjusting such advance.
- The decision, if any, by the Company to recall/accelerate payment or performance of loan shall be in accordance with the terms and conditions of the Loan Agreement and as per timelines provided therein.
- The Company will release all securities on repayment of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim they may have against borrower.
- If such right of set off is to be exercised, the borrower shall be given notice about the same with full particulars about the remaining claims and conditions under which the Company is entitled to retain the securities till the relevant claim is settled/ paid.

d) **Closure/Foreclosure/Pre-payment Charges**

- The Company shall levy pre-payment charges, if any, on fixed rate loans, on the amount being prepaid.
- There will be no such charge levied where pre-payment is affected at the instance of the Company.
- The Company shall inform the borrower about the applicability of foreclosure charges on his loan account and shall be clearly disclosed in the sanction letter, loan agreement and Key Fact Statement. Company shall not levy any such charges which have not been disclosed to the borrower.

- The Company shall ensure that no charges/fees are levied retrospectively at the time of prepayment of loans, which were earlier waived off.
- On request from borrower for closure of his loan account, the request will be executed within 7 days from receipt thereof at the Corporate Office subject to clearance of pending dues and completion of all the formalities as prescribed by the Company. In case the request cannot be executed in the time frame. Stated above due to any reason, the same may be communicated to the borrower.

e) General

- The Company shall refrain from interfering in the affairs of the borrowers except as provided in the terms and conditions governing the loan as contained in the loan documents (unless new information, not earlier disclosed by the borrower, has come to its notice).
- In the matter of recovery of loans, the Company shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of threatening or abusive language, use of muscle power for recovery of loans etc.
- The Company shall ensure that the employees do not engage in any type of inappropriate behavior in their dealings with the borrowers or any family member.
- The company shall ensure that employees are adequately trained to interact with customers in a professional and respectful manner.
- In case of receipt of a request from the borrower for transfer of borrowal account the consent and or objections/ rejection if any shall be conveyed within 21 days from the date of receipt of request at the Corporate Office.

5. NON-DISCRIMNATION IN LENDING PRACTICES

- The Company shall not discriminate on the grounds of gender, caste or religion in its lending policy and activities.
- The Company shall not discriminate in extending loans and facilities to physically /visually challenged applicants on grounds of disability.
- The Company shall take appropriate measures to ensure compliance with the *Order Hon'ble Supreme Court Order dated April 30, 2025, in the matter of Pragya Prasun and Ors. vs Union of India and Ors. (W.P.(C) 289 of 2024) and Amar Jain vs Union of India and Ors. (W.P.(C) 49 of 2025)* in relation to making digital KYC accessible to persons with disability.

6. COMMUNICATION WITH BORROWERS IN VERNACULAR LANGUAGE

The Company shall ensure the following in the vernacular languages or as in the language as understood by the borrower: -

- Loan application form
- sanction letter
- loan agreement and all supporting enclosures
- Key Fact statement (KFS)
- Notices to borrowers regarding repayments, recall etc.

Further, the Fair Practices Code (FPC) and Customer Grievance Redressa mechanism shall be made available on the Company's website in vernacular languages.

7. RATE OF INTEREST AND LEVY OF PENAL CHARGES

- The Company will frame an interest rate model duly approved by the board of Directors taking into account relevant factors such as cost of funds, margin and risk premium for determine the rate of interest, processing, and other charges, if any to be charged for loans and advances.
- The Company shall display the rates of interest and the approach for gradation of risks on the website of the Company. Whenever there is a change in the rate of interest, the same will be updated on the website of the Company.
- The Interest will be charged from the date of disbursement of funds to the customers. The Company will charge interest on the loan only for the period for which the loan is outstanding and not for the entire month during which the loan is disbursed or repaid.
- The Company shall ensure that rates of interest are not excessive and should confirm normal financial practice.
- The Company shall disclose rates of interest and the approach for gradation of risks along with rationale for charging different rates of Interest to different categories of borrowers in the loan application form as well as the sanction letter.
- Such interest rates and gradation of risks shall also be displayed on the website of the Company shall be updated whenever there is any change.
- The Penal Charges levied on loans shall be governed by the penal charges policy as approved by the Board of Directors.

8. Key Fact Statement (KFS)

- The Company shall provide a Key Fact Statement (KFS) to all prospective borrowers for retail and MSME loan products, enabling them to make an informed decision.
- The KFS shall form an integral part of the loan agreement.
- The KFS shall be written in a vernacular language or as understood by the borrower.
- The Contents of KFS shall be explained to the borrower and an acknowledgement shall be obtained from the borrower for the same.
- The Company shall ensure that its employees are adequately trained for this purpose.
- confirming that the contents have been understood.
- The KFS shall have a validity period of at least three working days for all its loans and customers.
- The KFS shall include the following at the minimum:
    1. KFS shall be provided with a Loan Id.
    2. Computation sheet of annual percentage rate (APR), including all charges.
    3. Amortisation schedule of the loan over the loan tenor.
    4. Details of pre-payment and other charges, as applicable.
    5. The detailed KFS format given in the Annexure-A as attached.
- 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.
- The Company shall ensure that the receipts and related documents are provided to the borrowers towards each payment of such charges, within a reasonable time.
- 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.

9. Release of Movable / Immovable Property documents on closure of Loan and Compensation for delay

- The Company shall release all the original movable / immovable property documents in applicable cases and satisfy charges registered with CERSAI within a period of 30 days after the closure of the loan account.
- The Company shall formulate a detailed SOP for return original movable / immovable property documents to the legal heirs in case of contingent event of demise of the sole borrower or joint borrowers.
- The Company shall communicate to the borrower reasons for delay in releasing of original movable / immovable property documents or failing to file charge satisfaction form beyond 30 days.
- The Company shall compensate the borrower at the rate of ₹5,000 for each day of delay attributable to the Company.
- The Company shall assist the borrower in obtaining duplicate/certified copies of the movable / immovable property documents in case of loss or damaged to the original documents. The associated costs shall be borne by the Company.
- In such cases, an additional time of 30 days will be available to the Company and compensation to the borrower shall be calculated after a total period of 60 days.
- The borrower shall be given the option of collecting the original movable / immovable property documents either from the branch where the loan account was serviced or where the documents are available, as per her / his preference.
- The timeline and place of return of original movable / immovable property documents shall be mentioned in the loan sanction letters.

This shall be displayed on the website of the NBFC along with other similar policies and procedures for customer information.

10. CUSTOMER COMPLAINTS AND GRIEVANCE REDRESSAL

The Company shall ensure that it has an effective Customer grievance redressal mechanism (CGRM) to provide timely and smooth resolution to the issues/complaints/ disputes raised by the customers directly to the Company or through the RBI Portal, RBI Ombudsman, or any other regulatory agency.

The customer may raise complaints/disputes on any matter in connection to loans availed by them from the Company including complaints related to penal charges, staff misbehaviour etc. A list of grounds of complaints not maintainable has been provided in the Customer grievance redressal mechanism.

This Customer Grievance Redressal Mechanism provides the process for raising complaints, defined timelines for resolution and escalation matrix for addressing and resolving customer grievances in a structured manner as detailed in **Annexure-B (Customer Grievance Redressal Mechanism).**

Further, the mechanism also provides details of regional Nodal officers and principal nodal officer as well as RBI ombudsman to whom the customer may approach as per the escalation matrix provided therein.

Further, grievance redressal mechanism shall be made available on the Company's website and displayed prominently at head office and all branches of the Company in English, Hindi and all local regional languages.

11. PUBLIC NOTICE BEFORE CLOSURE OF THE BRANCH/OFFICE

The Company shall give at least 3 months public notice prior to closure of any of the Companies/ branches/ offices in at least one leading national newspaper and a leading local (covering the place of such branch/ office) vernacular newspaper indicating therein the purpose and arrangements being made to service the borrowers.

12.CONFIDENTIALITY

- Unless authorized by the borrower, the Company will treat all his personal information as private and confidential.
- The Company may not reveal transaction details of the borrowers to any other person except under following circumstances:
    a. If the Company is required to provide the information to any statutory or regulatory body or bodies (including all the Credit Bureaus of India);
    b. If arising out of a duty to the public to reveal the information.
    c. If it is in the interest of the borrowers to provide such information (e.g., fraud prevention);

13. FORCE MAJEURE

The various commitments outlined and made by the Company shall be applicable under the normal operating environment. In the event of any Force Majeure circumstances, the Company may not be able to fulfill the objectives under the FPC to the entire satisfaction of the borrowers, the stakeholders, and the public in general.

14. ROLE OF THE BOARD

The Management shall oversee the effectiveness of the Fair Practices Code (FPC) and this shall be further reviewed by the Board of Directors on an annual basis.

Further, the Board shall review the Customer Grievance Redressal Mechanism on a quarterly basis.

15. OWNER OF THE POLICY

The Owner of the Policy shall be operation and Credit Department

16. REVIEW

The Policy shall be reviewed annually or earlier, if required, due to changes in applicable regulations or the Company's operations and processes.

Annexure-A Key Fact Statement

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KEY FACT STATEMENT

Branch ID & Name	
Applicant ID	
Applicant Name	

Annex A

Part 1 (Interest rate and fees/charges)

1	Loan proposal/ account No.			Type of Loan			
2	Sanctioned Loan amount (in Rupees)						
3	Disbursal schedule (i) Disbursement in stages or 100% upfront (ii) If it is stage wise, mention the clause of loan agreement having relevant details						
4	Loan term (year/months/days)						
5	Instalment details						
Type of instalments		Number of EPIs		EPI (₹)	Commencement of repayment, post sanction		
6	Interest rate (%) and type (fixed or floating or hybrid)						
7	Additional Information in case of the Floating rate of interest						
Reference Benchmark	Benchmark rate (%) (B)	Spread (%) (S)	Final rate (%) R = B + S	Reset periods (in Months)		Impact of change in the reference benchmark (for 25 bps change in R, change in)	
				R	S	EPI (₹)	No. of EPIs
NA	NA	NA	NA	NA	NA	NA	NA
8	Fee/ Charges						
		Payable to the RE (A)			Payable to a third party through RE (B)		
		One time/ Recurring	Amount (in ₹) or Percentage (%, as applicable		One time/ Recurring	Amount (in ₹) or Percentage (%, as applicable	
(i)	Processing fees	One Time					
(ii)	Insurance charges				One Time		
(iii)	Valuation fees						
(iv)	Any other (please specify) 1. Application fee 2. Legal fee 3. Stamp duty 4. Hospicash charges 5. Document charges	One Time			One Time		
9	Annual Percentage Rate (APR) (%)						
10	Details of Contingent Charges (in ₹ or %, as applicable)						
(i)	Penal charges, if any, in case of delayed payment						
(ii)	Foreclosure charges, if applicable						
(iii)	Charges for switching of loans from floating to fixed rate and vice versa						
(iv)	Any other charges (please specify) 1. Cheque Swapping Charges						

***A penalty of ₹500 shall be levied for non payment of EMI on the due date. An additional charge of ₹200 shall apply if the amount remains unpaid at the end of the due month, totaling ₹700.

SEEDS FINCAP PRIVATE LIMITED
0124 4219441
communication@seedsfincap.com

Registered Office
Corporate Office
CIN: U65999DL2019PTC357518

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Part 2 (Other qualitative information)

1	Clause of Loan agreement relating to engagement of recovery agents	**Clause 11** of the Loan Agreement
2	Clause of Loan agreement which details grievance redressal mechanism	**Clause 28** of the Loan Agreement
3	Phone number and email id of the nodal grievance redressal officer	
4	Whether the loan is, or in future maybe, a subject to transfer to another REs or securitization (Yes/ No)	Yes
5	In the case of lending under collaborative lending arrangements (e.g. co-lending, outsourcing) The following additional details may be furnished	

Name of the originating RE along with its funding proportion	Name of the partner RE along with its proportion of funding	Blended rate of interest

6	In the case of digital loans, the following specific disclosures may be furnished	
(i)	Cooling off/look up period, in terms of RE's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan	NA
(ii)	Details of LSP acting as recovery agent and authorized to approach the borrower	NA

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communication@seedsfincap.com 0124 4219441

Annexure-2

Customer Grievance Redressal Mechanism

Seed Fincap Private Limited (the Company) is committed to providing exceptional service. This mechanism is designed to provide a transparent, efficient, and fair process for addressing customer concerns. Our objective is to resolve issues promptly, restore trust, and use feedback to improve our services.

In case of any issue / complaint related to the loans availed by the Customer from the Company, they may contact the Company based on the following details and Escalation Matrix:

- **Level 1 —**

The customers can call on our toll-free number at **1800 103 8100** from 09:00 A.M. to 05:30 P.M. on Mondays to Fridays.

Or they may write to info@seedsfincap.com

Or they may make a physical complaint with Branch Manager/ Employee at their local branch in the Complaint Register available at the Branches. Our branch staff may assist the customer in filing the complaint, in case required.

Timeline for resolution - within 7 working days

- **Level 2 –**

If the complaint is not resolved within 7 working days, then the customer may escalate to our **Regional Nodal Officers** as per details mentioned below based on their local branches –

Timeline for resolution - within 21 working days

Sl. N	Region	Email	Telephone
1.	Agra region	Nodal.agra@seedsfincap.com	9311700948
2.	Rewari Region	Nodal.rewari@seedsfincap.com	9311720111
3.	Jaipur Region	Nodal.Jaipur@seedsfincap.com	9311700920
4.	Bihar	Nodal.bihar@seedsfincap.com	9311337673
5	UP East	Nodal.upeast@seedsfincap.com	9311337673
6	Gujarat Region	Nodal.gujarat@seedsfincap.com	9311700949
7	Karnal Region	Nodal.Karnal@seedsfincap.com	9311594708
8	Hapur Region	Nodal.Hapur@seedsfincap.com	8882435194
9	Madhya Pradesh regior	Nodal.MadhyaPradesh@seedsfincap.co	9311700949

The Customers may identify their region for the Complaints from the branch.

- **Level 3 –**

If the complaint is not resolved within 21 working days, then the customer may escalate to **our Principal Nodal Officer** as per details mentioned below:

Timeline for resolution - within 30 working days from date of complaint

Principal Nodal Officer
Avishek Sarkar
Unit No. 606-612, 659, JMD Megapolis, Sohna Road,
Sector 48, Gurugram, Haryana, 122018.
Phone:-0124-4219441
Email: nodal.officer@seedsfincap.com

- **Level 4 –**

If the complaint is not resolved *within 30 working days*, or the customer is not satisfied by the resolution provided by the Company, or the customer does not receive a resolution within 30 days, then the customer may escalate to RBI Ombudsman after 30 days, (but within one 1 year from the date of reply received from Company, or within 1 year from expiry of 30 days, if no reply received) as per details mentioned below:

How can a customer file Complaint:

Written Complaint to the Company	At the end of 30 days →	If reply not received from the Company ***or*** customer remains dissatisfied with the reply ***or*** the complaint was rejected wholly or	If the customer has not approached any other forum →	File a complaint with RBI Ombudsman either online or in physical mode *(not later than one year after the reply from the Company or*

Grounds for Non-Maintainability of a Complaint to RBI Ombudsman:

A complaint shall not be maintainable under the Ombudsman Scheme in the following cases:

1. Complaints involving **commercial judgment or decisions** of the Company.
2. Disputes between a **vendor and the Company** relating to outsourcing contracts.
3. Grievances **not directly addressed to the Ombudsman**.
4. General complaints against the **management or executives** of the Company.
5. Disputes where action has been taken by the Company in compliance with **orders of statutory or law enforcement authorities.**
6. Complaints relating to services **outside the regulatory purview of the Reserve Bank of India.**
7. Disputes **between companies.**
8. Matters involving **employee-employer relationships** within the Company.

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RBI Ombudsman – Complaint Filing Mechanism

Customers may lodge their complaints with the Reserve Bank of India (RBI) Ombudsman through any of the following channels: -

- **Online Portal**
  RBI Complaint Management System (CMS): **https://cms.rbi.org.in**
- **Email: crpc@rbi.org.in**
- **Physical Submission:** A duly signed complaint letter may be submitted by the customer or an authorised representative at the following address:

  Centralised Receipt & Processing Centre
  Reserve Bank of India
  4th Floor, Sector 17
  Chandigarh – 160017

  The prescribed format for filing the complaint is available at: https://rbidocs.rbi.org.in/rdocs/content/pdfs/RBIOS2021_121121_A.pdf

  The copy of the Scheme can be accessed at:

  https://rbidocs.rbi.org.in/rdocs/content/pdfs/RBIOS2021_amendments05082022.pdf

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