

DAGGER GARMENTS PRIVATE LIMITED

FAIR PRACTICE CODE

Version 1

| Version | Adoption/Revision | Authority | Date |
|---------|-------------------|--------------------|----------------|
| I | Adoption | Board of Directors | April 10, 2024 |

ABOUT THE COMPANY

Daggar Garments Private Limited (“Company”) is registered as a non-deposit taking/accepting, systematically important NBFC with the RBI, vide certificate of registration number XXXXXXXX dated XXXXXXXX, and is recognised as a base-layer NBFC with effect from March 2024.

OBJECTIVES OF THE CODE

The Fair Practices Code has been developed to ensure:

1. Fair and reasonable dealings with its Customer/Borrower in relation to financial facilities and services offered by the Company, so as to enable them to take an informed decision;
2. Maintain transparency by ensuring requisite disclosures are made, as may be relevant to the Customer/Borrower and as prescribed by the Reserve Bank of India (RBI) from time to time;
3. Provide adequate information to the Customer/Borrower in relation to financial facilities and services in a simple manner and financial facilities and services in English and/or a local vernacular language as understood by the Customer/Borrower;
4. Explaining financial implications of the transactions, if any;
5. Deal quickly and systematically with things that go wrong, by correcting mistakes, handling and resolving Customer/Borrower’s complaints efficiently and guiding them.

APPLICATION FOR LOANS AND THEIR PROCESSING

- All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- Loan application forms should 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.
- A list of documents required to be submitted along with the loan application form shall be mentioned in the loan application form.
- The Company shall issue an acknowledgement receipt for all loan applications. The Acknowledgement receipt so issued shall indicate the time frame within which loan applications will be processed in (Approved/Rejected). The Customer may also contact the Company’s relationship manager or customer service team at the prescribed Customer care number or email id to obtain an update on the status of application

LOAN APPRAISAL AND TERMS/CONDITIONS

- The Company shall carry out obligatory due diligence while processing any application.
- The Company shall convey in writing to the Customer/Borrower by means of a Sanction Letter/Term Sheet or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof. It would keep the acceptance of these terms and conditions by the Customer/Borrower on its record.

- The Company shall furnish a copy of the loan agreement in English or the vernacular language as understood by the Customer/Borrower along with a copy each of all enclosures quoted in the loan agreement to all the customers/borrowers at the time of sanction/disbursement of loans.
- The Company shall mention the penal interest charged for late repayment in bold in the loan agreement.

DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- The Company shall, at the time of disbursement communicate to the Customer/Borrower by means of a Sanction Letter/Term Sheet.
- The Company shall give notice to the Customer/Borrower in language as understood by the Customer/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 provided a suitable condition to that effect has been adequately incorporated in the loan agreement.
- Any decision to recall/accelerate payment or performance under the loan agreement shall be in consonance with the loan agreement.
- The Company shall release all securities offered by the Customer/Borrower 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 the Company may have against the customer/borrower. If such right of set off is to be exercised, the Customer/Borrower shall be given adequate notice of the same with full particulars about the remaining claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled/paid.

GENERAL

- The Company shall refrain from any interference in the affairs of the Customer/Borrower except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the borrower, has been noticed).
- In case of receipt of request from the Customer/Borrower for transfer of 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 request. Such transfer shall be as per transparent contractual terms in consonance with law.
- In the matter of recovery of loans, the Company shall not resort to undue harassment viz., persistently bothering the Customer/Borrower at odd hours, use muscle power for recovery of loans etc.
- The staff of the Company shall be adequately trained to deal with the Customer/Borrower in an appropriate manner.
- The Company shall not charge foreclosure charges/ pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual Customer/Borrower, with or without co-obligant(s)

AMENDMENT

The Board of Directors of the Company reserves the power to review and amend this Policy from time to time, subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.