TERRAEGIS FINANCE PRIVATE LIMITED

:: FAIR PRACTICE CODE ::

::2025-26::

BACKGROUND:

TERRAEGIS FINANCE PRIVATE LIMITED (TFPL) (the "Company") has been incorporated in 2024 under the Companies Act 2013. The company is registered with Reserve Bank of India as an Non Banking Finance Company and given COR NO. **N-14.03649** on **22nd May 2025**. The company is engaged in providing financial support for project/equipments in the field of Energy Efficiency, Roof Top Solar and Waste Water Treatment/Water Recycling. The company shall treat all its clients consistently and fairly. The Company will offer assistance and service in a fair, equitable and consistent manner. It shall also communicate its Fair Practices Code ("FPC") to its clients by uploading the FPC on its website. The Company's fair lending practices shall apply across all aspects of its operations including origination of the loan proposal, collection of information, appraisal and due diligence, approval, disbursement and collection.

The RBI has last issued NBFC - FPC guidelines in its master direction RBI/DOR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24, dated 19 October, 2023 (updated as on March 21, 2024). **TFPL** adopted a Fair Practices Code (FPC) for its lending business pursuant to these RBI directives on Non-Banking Financial Company (NBFC), Fair Practices Code (FPC). Following Fair Practices Code has been approved and adopted by Board of the TFPL.

Objectives of the Code:

(i) Ensuring fair practices while dealing with customers.

(ii) Greater transparency enabling customers in having a better understanding of products, and

(iii) Taking informed decisions.

1. LOANS APPLICATIONS AND THEIR PROCESSING:

a) The Loan application to TFPL shall be submitted in prescribed form (online/offline) containing necessary information. The details on financing norms and products, applicable fees, rate of interest, repayment period, minimum promoter's contribution, security for loan etc. for financial assistance are available on the website.
b) The borrower is to submit application along with documents like MOA, DPR, Annual Reports, IT Returns, Financial Projections etc. as listed in the form/website for processing the application.
c) TFPL will have a mechanism of issuing acknowledgement (off line/online mode) for receipt of the duly filled up loan application along with necessary documents to the borrower.
d) The decision of TFPL regarding acceptance or rejection of application will be conveyed to the borrower within a reasonable period of time from the date of receipt of the required information from the borrower in full.
e) In case application of the borrower does not meet eligibility criteria or the applicant is unable to furnish desired information/documents, the application is closed/dropped under intimation to the applicant. The Application fees paid at the time of submission of application is non-refundable.
f) All communications by TFPL to the prospective borrower shall be made in vernacular language or a language understood by the borrower.

2. LOAN APPRAISAL AND TERMS & CONDITIONS:

a) TFPL will process the loan application in accordance with the Board approved Lending Policy. Applications meeting the eligibility criteria are taken up detailed appraisal.
b) On sanction of loan TFPL shall convey to the borrower in writing (online/Offline), the terms & conditions of loan sanctioned including loan amount, annualized rate of interest and the method of its application, security conditions, penalty for default/late payment, other penal charges applicable in case of non compliance of terms and conditions etc. by means of sanction letter in vernacular language or a language understood by the borrower.
c) TFPL shall also provide the borrower Key Fact Statement (KFS) indicating key facts of Loan Agreement, before its execution, in the standard format in the

language understood by the borrower to assist the him/her in taking an informed financial decision.

d) A copy of the sanction letter bearing acceptance of the borrower of the terms thereof will be put on record by TFPL.
e) The sanction letter shall specify the validity of sanction from the date of its issuance and the borrowers have to sign Loan Agreement with TFPL within this period.
f) The quantum of all types of penal charges shall be clearly disclosed by TFPL to the customers in the loan agreement and most important terms & conditions/Key Fact Statement (KFS)
g) TFPL shall levy reasonable penal charges commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan/product category/category of borrower.
h) TFPL shall communicate the penal charges whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers.
i) TFPL shall at the time of sanction / disbursement furnish a copy of the loan agreement and each of the other loan documents executed to the borrower for ready reference.

3. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS:

a) Upon completion of documentation and execution of securities, TFPL disburses loan/lease amount in one or more instalments proportionate to the promoter's contribution and depending upon the physical progress of the project, satisfactory utilisation of amount already disbursed.
b) TFPL shall communicate any change in the terms and conditions of loan including disbursement schedule, interest rates, service charges, prepayment charges etc. through its published website/public notice or by issuing appropriate notice if specific to a borrower, in vernacular language or a language understood by the borrower.
c) Changes in interest rates and service charges/levies will be effected prospectively. A suitable provision in this regard shall be incorporated in the loan agreement.

4. **NOTICE BEFORE TAKING DECISION TO RECALL/ACCELERATION OF PAYMENT**

Decision of TFPL, if any, to recall/accelerate payment or performance under the loan agreement shall be in consonance with the agreement.

5. **RELEASE OF SECURITIES ON REPAYMENT OF LOAN/INTEREST**

i. TFPL shall release all securities created for the loan upon repayment of all dues by the borrower or on realisation by TFPL of the outstanding amount of loan in full, subject to any legitimate right or lien for any other claim that TFPL may have against the borrower. If such right of set off is to be exercised, the borrower shall be given due notice with particulars of the claim of TFPL and the conditions under which TFPL will be entitled to retain the securities till the relevant claim is settled/paid.
ii. TFPL 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.
iii. The borrower shall be given the option of collecting the original movable/ immovable property documents either from the office.
iv. In the event of demise of the sole borrower or joint borrowers, TFPL shall return of original movable/immovable property documents to the legal heirs.
v. Release of Securities in case of Co-lending is done after obtaining NOC from other lenders/charge holders.

6. OTHER GENERAL PROVISIONS

a) TFPL shall refrain from interference in the affairs of the borrower. TFPL shall be free to ask for information/data necessary for processing loan application and to protect the interests of TFPL/other stake holders.
b) In case of receipt of request from the borrower for transfer of his account, the consent or otherwise, i.e., objection of TFPL, if any, shall be conveyed to the borrower within **21 days** from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

c) TFPL shall not resort to any harassment, such as persistently bothering the borrower at odd hours, use of muscle power for recovery of loan, etc. To ensure this, the staff will be adequately trained to deal with the customers in an appropriate manner.
d) Demand Notices are sent to borrowers in advance before due date of payment.
e) TFPL maintains highest level of transparency in the business processes, as per Fair Practice Code.
f) Clarifications required by borrowers are given on email.

7. GRIEVANCE REDRESSAL MECHANISM:

a) In case of any feedback/ dispute arising out of the decisions of any functionary, the borrower can raise complaint on company's website in case the complaint remained unresolved for more than 7 days, the customer can raise a written complaint addressed to Manager, Customer Services, DPT 829 AND 830, DLF PRIME TOWER, OKHLA INDUSTRIAL AREA PHASE 1, DELHI – 110020. The authority will issue an acknowledgement and resolve the issue fully and send relative reply to the complainant through fastest mode within 7 working days of receipt of the grievance.
b) The name and contact details viz Telephone Number, Mobile No, Email ID and complete Postal Address of grievance redressal is displayed prominently in the office premises of the company and on its web site.
c) In case the complaint is not resolved within one month, the complainant may appeal to the officer-in-charge of the Regional Office of DNBS of RBI Parliament Street New Delhi.

8. INTEREST RATE MODEL/ REGULATION OF EXCESSIVE INTEREST CHARGED BY NBFCs

In compliance of guidelines of the RBI, TFPL has adopted an Interest Policy duly approved by its Board. Rate of Interest has been charged on various factor such as cost of fund, margin, risk associated, other cost and factors.

Proper transparency in respect of terms and condition of loan, rate of interest, repayment has been adopted.

9. Review of Compliance of the Fair Practice Code and Grievance redressal Mechanism

A review of compliance of Fair Practice Code and Grievance Redressal Mechanism shall be submitted by the management to the Board every year.

****