KARD VENTURES FINANCE PVT. LTD.

Reg. Office: 207, Hemkunt Tower, 98, Nehru Place,New Delhi, India-110019
Tel:(011) 40885555, E-mail:- director@kvfpl.in; rajesh.agarwal@krepl.in
CIN No: U65999DL2020PTC373168

Fair Practices Code (FPC)

(Adopted pursuant to RBI Master Directions – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, and amendments thereof)

1. Preamble

Kard Ventures Finance Private Limited ("the Company") is committed to maintaining the highest standards of fairness, transparency, and integrity in all its dealings with customers. This Fair Practices Code (FPC) sets out the minimum standards to be followed by the Company while dealing with customers, as per the guidelines issued by the Reserve Bank of India (RBI).

2. Objectives

- To promote good and fair practices by setting minimum standards in dealing with customers.
- To increase transparency so that customers can have a better understanding of the products and services offered.
- To promote a fair and cordial relationship between the Company and its customers.
- To ensure compliance with applicable laws, rules, and regulations.

3. Applications for Loans and Their Processing

- Loan application forms will include necessary information enabling the borrower to make a meaningful comparison of the terms of the loan offered by the Company and other NBFCs.
- The loan application form will clearly state the documents required to be submitted along with the application.
- The Company will acknowledge receipt of all loan applications in writing or through electronic means.
- The time frame within which loan applications will be disposed of shall be indicated to the prospective borrower.

4. Loan Appraisal and Terms & Conditions

- The Company will convey in writing to the borrower the amount of loan sanctioned, along with the terms and conditions, including annualized rate of interest, method of application thereof, and other charges.
- The Company will issue a sanction letter or loan agreement in duplicate, with the borrower's acceptance retained on file.

- Any changes in the terms and conditions, including disbursement schedule, interest rates, service charges, prepayment charges, etc., will be informed to the borrower in advance.

5. Disbursement of Loans, Including Changes in Terms and Conditions

- The Company will disburse loans strictly in accordance with the agreed terms and conditions.
- Post disbursement, any changes in interest rate or other charges will be effective only prospectively, after due notice to the borrower.
- Decision to recall or accelerate payment will be in consonance with the loan agreement.

6. Recovery of Loans

- The Company will not resort to undue harassment such as persistently bothering borrowers at odd hours, use of muscle power for recovery of loans, or other similar tactics.
- The staff engaged in recovery will be adequately trained to deal with customers in an appropriate manner.
- The Company shall follow the RBI guidelines on repossession of assets, if applicable.

7. Grievance Redressal Mechanism

- The Company will establish a grievance redressal mechanism to resolve customer complaints quickly and fairly.
- The name, designation, and contact details of the Grievance Redressal Officer will be displayed on the notice board at all offices and on the Company's website.
- If a customer's complaint is not resolved within 30 days, they may approach the RBI Ombudsman for NBFCs.

Grievance Redressal Officer:
Name: Rakesh Srivastava
Designation: Credit Manager
Email: Account@kvfpl.in
Phone: 9810429654

8. Regulation of Interest Rates and Other Charges

- The Company will adopt a Board-approved interest rate policy, which will be displayed on the Company's website.

Adopted in Board meeting held on 27-06-2025.

- The rates of interest will be annualized so that the borrower is aware of the exact rates applicable.
- The Company will not charge excessive interest and will ensure that all fees and charges are transparently disclosed.

9. General Provisions

- The Company will display the Fair Practices Code on its website and make a copy available to borrowers on request.
- The Company will review the FPC periodically and make necessary updates in line with RBI guidelines.
- The FPC will be implemented in letter and spirit across all business operations.

Approved by the Board of Directors on:
Date: 06-10-2025

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

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Grievance Redressal Policy

1. Preamble

Kard Ventures Finance Private Limited ("the Company") is committed to providing prompt, efficient, and fair customer service. This **Grievance Redressal Policy** has been formulated in compliance with the **Reserve Bank of India (RBI) guidelines for NBFCs**, with the objective of ensuring that customer grievances are addressed in a transparent, timely, and satisfactory manner.

2. Objectives

- To establish a system for receiving, resolving, and monitoring grievances.
- To ensure fair and impartial resolution of complaints without any bias.
- To enhance customer confidence and strengthen trust in the Company.
- To comply with RBI's requirements on customer service and grievance redressal.

3. Scope

This Policy applies to:

- All customers, borrowers, and applicants of the Company.
- All modes of grievance reporting (in person, by phone, email, letter, or online).
- All complaints relating to Company's lending, recovery, and customer service practices.

4. Grievance Redressal Mechanism

4.1 Modes of Registering Complaints

Customers may lodge complaints through any of the following channels:

- **Registered Office** – In writing or verbally with acknowledgement.
- **Email** – account@kvfpl.in
- **Phone Helpline** – Customer care number displayed on the Company's website / office premises.
- **Letter** – Addressed to the Grievance Redressal Officer at the Registered Office.

4.2 Levels of Escalation

1. **Level 1 – Registered office / Customer Care**

- Initial complaints to be handled by officials / customer care team.
- Response timeline: **7 working days**.

2. **Level 2 – Grievance Redressal Officer (GRO)**
    - If not resolved at Level 1, complaints shall be escalated to the GRO.
    - GRO details shall be displayed at all offices and on the Company's website.
    - Response timeline: **15 working days**.
3. **Level 3 – Principal Nodal Officer / Senior Management**
    - If unresolved at Level 2, the matter will be referred to the Principal Nodal Officer.
    - Response timeline: **30 working days**.
4. **Level 4 – Reserve Bank of India (RBI)**
    - If still unsatisfied, the customer may approach the **RBI – NBFC Ombudsman** (where applicable) or the RBI Regional Office.

5. Customer Rights & Protection

- Every complaint will be acknowledged with a unique reference number.
- Status updates will be shared with the complainant periodically.
- Customers will not face retaliation for raising complaints in good faith.

6. Governance & Monitoring

- The **Grievance Redressal Officer (GRO)** shall be responsible for monitoring complaint resolution and reporting to senior management.
- A **quarterly report** on customer grievances shall be placed before the Board.
- The Board shall review grievance trends and direct corrective measures.

7. Disclosure

- This Policy shall be displayed at all Company offices and uploaded on the website.
- Details of the Grievance Redressal Officer and escalation matrix shall be made publicly available.

8. Review of Policy

This Policy shall be reviewed annually or earlier if required due to regulatory changes or business needs.

9. Effective Date

This Policy shall come into force from the date of approval by the Board of Directors of the Company.

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

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Whistleblower Policy

1. Preamble

Kard Ventures Finance Private Limited ("the Company") is committed to the highest standards of integrity, transparency, accountability, and ethical conduct of business.

This Whistleblower Policy provides a mechanism for Directors, employees, stakeholders, and other connected persons to report genuine concerns, unethical practices, or misconduct without fear of retaliation.

2. Objectives

- To promote responsible and secure reporting of concerns.
- To encourage ethical behaviour and prevent violations of law or Company policies.
- To provide protection to whistleblowers against victimization.
- To establish a fair and transparent investigative process.

3. Scope

This Policy covers reporting of concerns regarding:

- Fraud, corruption, bribery, or financial irregularities.
- Misuse of office, Company assets, or confidential information.
- Violation of laws, regulations, or RBI guidelines applicable to NBFCs.
- Breach of Company's internal policies, code of conduct, or ethics.
- Any wilful misconduct, harassment, or unfair practice.

4. Whistleblower

Any employee, director, vendor, consultant, service provider, or stakeholder having a genuine concern may report under this Policy.

5. Reporting Mechanism

- Concerns may be reported in writing via email or sealed letter addressed to the Whistleblower Committee.
- Whistleblowers may report anonymously, though disclosure of identity is encouraged for effective investigation.
- All disclosures should contain sufficient details and supporting evidence, if available.

6. Protection of Whistleblower

- The Company assures protection against retaliation, discrimination, or harassment for genuine whistleblowers.

Adopted in Board meeting held on 27-06-2025.

- Disciplinary action will be taken against any person who threatens or harasses a whistleblower.
- This protection is available provided the disclosure is made in good faith.

7. Investigation Process

- All complaints will be reviewed by the Whistleblower Committee.
- A preliminary inquiry will be conducted, followed by a detailed investigation if required.
- Findings shall be reported to the Board / Audit Committee.
- Strict confidentiality will be maintained throughout the process.

8. False or Malicious Complaints

- Malicious or frivolous complaints made with intent to malign shall result in disciplinary action against the complainant.

9. Roles & Responsibilities

- **Whistleblower Committee** – Oversee implementation and ensure independence of the process.
- **Management** – Cooperate with investigations and ensure no retaliation.
- **Employees & Stakeholders** – Report genuine concerns responsibly.

10. Review & Disclosure

- This Policy shall be reviewed **annually** by the Board.
- The existence of this Policy shall be appropriately communicated to all employees and disclosed on the Company's website, if applicable.

11. Effective Date

This Policy shall come into force from the date of approval by the Board of Directors of the Company.

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

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Credit & Investment Policy

1. Preamble

This Credit & Investment Policy ("the Policy") is formulated in compliance with the provisions of the Reserve Bank of India ("RBI") Master Directions applicable to Non-Banking Financial Companies (NBFCs), and in accordance with the overall business objectives, risk appetite, and prudent practices of Kard Ventures Finance Private Limited ("the Company").

The Policy aims to ensure a robust framework for:

- Credit origination, appraisal, sanction, documentation, monitoring, and recovery.
- Investment of surplus funds in permissible avenues with due regard to safety, liquidity, and returns.
- Maintaining regulatory compliance and prudent risk management.

2. Objectives

- To establish transparent criteria for evaluating borrowers, investments, and counterparties.
- To safeguard the interests of stakeholders by managing credit, market, and operational risks.
- To ensure compliance with RBI guidelines and internal governance standards.
- To achieve optimal risk-return balance in credit deployment and investment decisions.

3. Scope

This Policy shall govern all lending and investment activities undertaken by the Company across all business segments, products, and geographies.

4. Credit Policy

4.1 Eligible Borrowers

- Individuals, Proprietorships, Partnerships, Companies, LLPs, Trusts, and other legal entities engaged in lawful activities.
- Borrowers must comply with KYC, AML, and CIBIL/credit bureau norms.

4.2 Types of Credit Facilities

- **Bill Discounting:** Individuals, Proprietorships, Partnerships, Companies, LLPs etc.
- **Secured Loans**: Business loans, Loan against Property, Vehicle Loans, etc.
- **Unsecured Loans**: Personal Loans, Small Ticket Consumer Loans, Business Loans (based on credit profile).
- **Working Capital / Term Loans**: SMEs and MSMEs.

Adopted in Board meeting held on 27-06-2025.

4.3 Credit Appraisal Norms

- **Due Diligence**: Verification of identity, address, income, business activity, and repayment capacity.
- **Credit Rating / Scoring**: Based on internal models and external credit bureau reports.
- **Security / Collateral**: Adequacy of collateral and enforceability of charge.
- **Debt Service Coverage Ratio (DSCR)**: Minimum thresholds to be maintained as per product norms.
- **Approvals**: Board of Directors.

4.4 Exposure Limits

- **Single Borrower Exposure**: Not to exceed 15% of Owned Funds.
- **Group Exposure**: Not to exceed 25% of Owned Funds.
- **Sectoral / Product Caps**: To be defined by management periodically.

4.5 Sanction & Documentation

- Sanction to be given only after proper appraisal, KYC, credit checks, and legal documentation.
- Loan agreements, security documents, and undertakings must be duly executed.

4.6 Monitoring & Recovery

- Regular monitoring of repayment performance.
- Periodic portfolio review by the Credit Committee.
- Early Warning Signals (EWS) mechanism for stressed assets.
- Recovery action as per Loan Recovery & Repossession Policy.

5. Investment Policy

5.1 Objectives

- To deploy surplus funds prudently to optimize returns while ensuring liquidity and safety.

5.2 Permissible Investments

- Fixed Deposits with Scheduled Commercial Banks.
- Government Securities / RBI Approved Debt Instruments.
- Mutual Funds (Debt / Liquid Funds).
- Bonds, Debentures, and other RBI-permitted instruments.

5.3 Investment Norms

- Investments shall be made in line with RBI guidelines on NBFC investments.
- No exposure to speculative or unregulated products (e.g., commodities, derivatives not permitted by RBI, crypto-assets).
- Adequate due diligence of counterparty creditworthiness.

5.4 Approval Mechanism

- Board of Directors Approval required.

5.5 Exposure Limits

- **Single Issuer Exposure**: Not to exceed 10% of Owned Funds.
- **Group Exposure**: Not to exceed 20% of Owned Funds.

6. Risk Management

- Diversification of credit and investment portfolio.
- Periodic stress testing and asset quality review.
- Adequate provisioning as per RBI Prudential Norms.
- Compliance with ALM (Asset Liability Management) framework.

7. Governance & Review

- The **Credit & Investment Committee** of the Board shall oversee implementation.
- This Policy shall be reviewed **annually** or earlier if required by regulatory changes or business needs.

8. Regulatory Compliance

All credit and investment decisions shall comply with:

- RBI Master Directions for NBFCs.
- FEMA, Companies Act, and applicable laws.
- Fair Practices Code, KYC/AML Policy, and other internal policies of the Company.

9. Effective Date

This Policy shall come into force from the date of approval by the Board of Directors of the Company.

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

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IT & Cyber Security Policy

1. Preamble

The increasing reliance on digital platforms and technology in financial services has exposed Non-Banking Financial Companies (NBFCs) to risks related to information technology (IT) and cyber security.

The Reserve Bank of India (RBI), through its Master Directions on Information Technology Framework for NBFCs, mandates NBFCs to put in place a robust IT and Cyber Security Policy. Accordingly, **Kard Ventures Finance Private Limited** ("the Company") has formulated this Policy to strengthen IT governance, ensure data security, and mitigate cyber risks.

2. Objectives

The objectives of this Policy are to:

- Establish a secure IT environment to protect the confidentiality, integrity, and availability of information assets.
- Safeguard customer data and ensure privacy.
- Prevent, detect, and respond to cyber security threats.
- Ensure compliance with RBI, CERT-In, and other regulatory requirements.
- Promote awareness and accountability among employees.

3. Scope & Applicability

This Policy applies to:

- All employees, contractors, consultants, and third-party service providers of the Company.
- All IT systems, hardware, software, mobile devices, applications, networks, and digital services of the Company.
- All data (customer, financial, operational, personal, etc.) processed or stored by the Company.

4. IT Governance Framework

- **Board of Directors:** Holds overall responsibility for IT and cyber security governance. Reviews policy annually.
- **Chief Information Security Officer (CISO):** Appointed to design, implement, and monitor IT & cyber security measures. Reports to the Board.
- **IT Department:** Responsible for day-to-day management of IT systems, network security, and user access.

5. Key Policy Areas

Adopted in Board meeting held on 27-06-2025.

a) Information Security

- Access to IT systems shall be role-based and need-based.
- Multi-factor authentication to be used for critical systems.
- Password policies (minimum complexity, periodic change) shall be enforced.
- Data encryption for sensitive customer and financial information.

b) Network & System Security

- Firewalls, intrusion detection/prevention systems, and anti-virus solutions shall be deployed.
- Regular vulnerability assessments and penetration testing (VAPT) shall be conducted.
- Secure configuration standards shall be followed for servers, databases, and end points.

c) Data Privacy & Protection

- Customer data shall be collected, processed, and stored only for legitimate business purposes.
- Data sharing with third parties shall require explicit consent and confidentiality agreements.
- Data backup and recovery procedures shall be implemented.

d) Cyber Incident Management

- A formal **Cyber Incident Response Plan (CIRP)** shall be maintained.
- All cyber incidents must be reported immediately to the CISO.
- Major cyber incidents shall be reported to RBI and CERT-In as per regulatory timelines.

e) Business Continuity & Disaster Recovery (BCP/DR)

- Critical IT systems shall have redundancy and failover mechanisms.
- Regular testing of BCP/DR drills shall be carried out.
- Recovery Time Objective (RTO) and Recovery Point Objective (RPO) shall be defined for critical systems.

f) Outsourcing & Vendor Management

- Third-party IT service providers must comply with Company's IT & cyber security standards.
- Outsourcing agreements must include confidentiality, data protection, and audit clauses.
- Periodic vendor security audits shall be conducted.

g) Employee Awareness & Training

- All employees shall undergo cyber security awareness training annually.
- Phishing simulations and mock drills shall be conducted to test employee readiness.

Adopted in Board meeting held on 27-06-2025.

- Employees must immediately report suspicious emails, system activity, or data breaches.

6. Cyber Security Monitoring

- Continuous monitoring of IT systems through Security Information and Event Management (SIEM) tools.
- Logging and audit trails shall be maintained for all critical transactions.
- Regular review of access logs, system alerts, and exception reports.

7. Compliance & Reporting

- The Company shall comply with all RBI circulars, CERT-In advisories, and data protection laws.
- Periodic reports on IT & cyber security posture shall be submitted to the Board.
- RBI shall be informed of any major cyber incidents within 2–6 hours, as required.

8. Policy Review

This Policy shall be reviewed at least annually by the Board of Directors or earlier if required due to changes in regulations, business processes, or emerging cyber threats.

9. Approval

This Policy shall come into force from the date of approval by the Board of Directors of the Company.

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

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Fraud Monitoring & Reporting Policy

1. Preamble

The Reserve Bank of India (RBI), through its Master Directions and circulars, requires Non-Banking Financial Companies (NBFCs) to put in place an effective framework for prevention, detection, monitoring, investigation, and reporting of frauds.

In line with these requirements, **Kard Ventures Finance Private Limited** ("the Company") has formulated this **Fraud Monitoring & Reporting Policy** to strengthen internal controls, ensure timely reporting to regulators, and safeguard the interests of stakeholders.

2. Objectives

The objectives of this Policy are to:

- Provide a structured framework for identification, monitoring, and reporting of frauds.
- Ensure compliance with RBI guidelines on fraud monitoring and reporting.
- Define clear roles and responsibilities of the Board, management, and employees in fraud risk management.
- Establish preventive measures and a whistleblower mechanism for fraud detection.
- Protect the integrity and reputation of the Company.

3. Scope & Applicability

This Policy applies to:

- All types of frauds as defined under RBI guidelines, including misappropriation, embezzlement, fraudulent loans/advances, identity fraud, cyber fraud, forgery, and falsification of accounts.
- All employees, directors, officers, business associates, and stakeholders of the Company.
- All products, services, branches, and digital platforms of the Company.

4. Definition of Fraud (as per RBI)

A "fraud" refers to:

"A deliberate act of omission or commission by any person, carried out in order to cheat the Company, its stakeholders, or to gain undue advantage, resulting in wrongful loss to the Company or wrongful gain to the perpetrator."

5. Governance Framework

a) Board of Directors

- The Board has overall responsibility for ensuring an effective fraud risk management framework.
- The Board shall review fraud reports at least quarterly.

b) Chief Risk Officer / Compliance Officer

- Responsible for monitoring fraud risk and coordinating reporting to the RBI.

6. Preventive Measures

- **KYC & AML Compliance:** Strict adherence to Know Your Customer (KYC) and Anti-Money Laundering (AML) policies.
- **Segregation of Duties:** Clear division of responsibilities to avoid conflict of interest.
- **Internal Controls:** Regular audits, system checks, and reconciliations.
- **Employee Training:** Awareness programs on fraud risk and reporting obligations.
- **Whistleblower Mechanism:** Confidential reporting channels for employees and stakeholders to report suspected frauds.

7. Fraud Detection & Investigation

- Any employee noticing a suspicious transaction/activity must immediately report it to the Compliance Officer/Board of Directors.
- If fraud is established, the case will be escalated to the Board.
- Disciplinary and legal actions shall be initiated against the perpetrators.

8. Reporting of Frauds to RBI

The Company shall strictly comply with RBI guidelines for fraud reporting:

- **Frauds involving ₹1 crore and above** must be reported to RBI within **3 weeks** of detection.
- **Quarterly Fraud Reports (QFRs):** To be submitted to RBI within 15 days of the quarter-end.
- **Flash Reports:** In case of large-value frauds (₹25 crore and above), immediate flash report to RBI within **one week**.
- **Progress Reports:** For ongoing fraud cases until closure.
- All reports shall be submitted in the prescribed format through the RBI's Fraud Monitoring System (FMS).

9. Customer Communication

- Customers affected by fraud shall be informed promptly.
- The Company shall take steps to compensate genuine customers for losses as per regulatory guidelines.

Adopted in Board meeting held on 27-06-2025.

10. Disciplinary Action & Legal Proceedings

- Employees found guilty of fraud shall face disciplinary action including termination.
- The Company shall initiate legal proceedings, including filing FIRs with law enforcement agencies, as required.

11. Confidentiality & Protection

- Whistleblowers shall be provided confidentiality and protection against victimisation.
- All fraud-related investigations shall be kept confidential except where disclosure is required by law.

12. Record Keeping

The Company shall maintain a fraud register containing details of all frauds reported, investigations conducted, actions taken, and status of closure.

13. Policy Review

This Policy shall be reviewed annually by the Board of Directors or earlier in case of amendments in RBI guidelines or business requirements.

14. Approval

This Policy shall come into force from the date of approval by the Board of Directors of the Company.

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

Asset-Liability Management (ALM) Policy

1. Preamble

Kard Ventures Finance Private Limited ("the Company"), being a Non-Banking Financial Company (NBFC), is exposed to various financial risks including interest rate risk, liquidity risk, funding risk, and credit concentration risk. In line with the guidelines issued by the Reserve Bank of India (RBI), the Company has formulated this Asset-Liability Management (ALM) Policy to establish a robust framework for managing such risks and to ensure financial stability, prudent growth, and regulatory compliance.

2. Objectives of the Policy

The objectives of this ALM Policy are to:

- Ensure sound management of assets and liabilities with a focus on liquidity and profitability.
- Identify, measure, monitor, and manage risks arising from mismatches between assets and liabilities.
- Establish prudential limits and internal controls in line with RBI guidelines.
- Provide a systematic framework for decision-making relating to funding and investments.
- Safeguard the interests of stakeholders by ensuring long-term financial sustainability.

3. Regulatory Framework

This Policy has been prepared in accordance with:

- RBI Master Directions on NBFCs (including Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and amendments thereof).
- RBI Guidelines on Asset-Liability Management System in NBFCs.
- Other applicable circulars, notifications, and amendments issued by RBI from time to time.

4. Governance Framework

- **Board of Directors**: The ultimate responsibility for ALM rests with the Board of Directors. The Board shall review the ALM position at least quarterly.

Adopted in Board meeting held on 27-06-2025.

- **Risk Management Department**: Responsible for preparing periodic ALM statements, liquidity reports, and stress tests for review by the Board.

5. Risk Management under ALM

The following risks shall be managed under this Policy:

a) Liquidity Risk

- Ensure that adequate liquidity is maintained to meet repayment obligations and fund growth opportunities.
- Monitor cumulative mismatches in maturity buckets as per RBI-prescribed tolerance levels.
- Maintain an adequate liquidity buffer through investments in liquid assets, bank lines, and contingency planning.

b) Interest Rate Risk

- Monitor the impact of interest rate movements on Net Interest Margin (NIM) and earnings.
- Undertake gap analysis and duration analysis to measure sensitivity to interest rate changes.
- Review repricing profiles of assets and liabilities periodically.

c) Funding Risk

- Diversify sources of funding to avoid overdependence on a particular lender or instrument.
- Maintain relationships with multiple banks, financial institutions, and debt markets.
- Plan for refinancing and rollover risks.

d) Credit Concentration Risk

- Monitor sectoral, group, and counterparty exposures.
- Ensure compliance with RBI limits on exposure norms.
- Avoid excessive dependence on a single borrower, group, or sector.

6. ALM Information System

The Company shall put in place a Management Information System (MIS) for:

- Preparation of periodic ALM returns and reports.
- Monitoring maturity mismatches across time buckets (1–7 days, 8–14 days, 15–30 days, 1–2 months, etc., as per RBI guidelines).
- Generating early warning signals and triggers for corrective action.
- Conducting stress testing and scenario analysis.

7. Prudential Limits

The Company shall adhere to the following prudential norms:

- Negative mismatches in the 1–30 day bucket shall not exceed 10–15% of outflows, in line with RBI guidelines.
- Maintain a liquidity buffer (e.g., minimum % of liquid assets).
- Interest rate sensitivity limits shall be prescribed and monitored.
- Internal limits on borrowing mix (bank borrowings, debentures, inter-corporate deposits, securitisation, etc.) shall be defined by Board of Directors.

8. Stress Testing & Contingency Planning

- The Company shall carry out periodic stress testing to assess the impact of extreme but plausible scenarios on liquidity and interest rate risks.
- A contingency funding plan shall be prepared to ensure preparedness in case of liquidity stress, including access to standby credit lines and asset securitisation.

9. Reporting & Review

- The Risk Management Department shall prepare quarterly ALM statements and present them to the Board of Directors.
- The Board shall review the ALM position, compliance with limits, and approve any revisions to the Policy annually or as required by regulatory changes.

10. Policy Review

This ALM Policy shall be reviewed at least annually by the Board of Directors, or earlier if required due to changes in RBI regulations, market conditions, or business strategy.

11. Approval

This Policy shall come into force from the date of approval by the Board of Directors of the Company.

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

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INTEREST RATE POLICY

(Adopted pursuant to RBI guidelines under Fair Practices Code for NBFCs)

1. Preamble

This Interest Rate Policy ("the Policy") is framed in compliance with the requirements of the **Reserve Bank of India** as part of the Fair Practices Code for NBFCs. The policy aims to ensure that interest rates charged by *Kard Ventures Finance Private Limited* ("the Company") are **transparent, fair, and not excessive**, and are applied consistently to all customers.

2. Objectives

- To set out the principles and methodology for determining interest rates.
- To ensure that rates and charges are transparent and communicated clearly to borrowers.
- To safeguard customer interests while maintaining operational and financial sustainability of the Company.

3. Factors Governing Interest Rates

The interest rate for each borrower/product will be determined after considering, inter alia:

a) **Cost of funds** – borrowing costs, market rates, and capital structure.

b) **Operational costs** – costs associated with loan origination, servicing, collection, etc.

c) **Credit risk premium** – based on borrower profile, risk category, and past repayment history.

d) **Tenure of the loan** – shorter-term loans may attract higher annualized rates.

e) **Security offered** – secured loans may have lower rates compared to unsecured loans.

f) **Regulatory requirements** – RBI guidelines and caps (if applicable).

g) **Market competition** – prevailing rates in the segment.

4. Method of Application of Interest

- Interest will be charged on the **annualized basis** to ensure comparability of rates.
- The **method of calculation** (flat rate / reducing balance) will be disclosed in the loan agreement.
- Penal interest (if any) will be charged only for delays in payment and not capitalized.
- All applicable fees, charges, and penalties will be clearly disclosed upfront.

Adopted in Board meeting held on 27-06-2025.

5. Differential Interest Rates

The Company may adopt a **risk-based pricing** approach, charging different rates to different categories of borrowers depending on credit assessment, loan amount, and security offered.

6. Communication to Borrowers

- The **annualized rate of interest**, method of application, and other charges will be clearly communicated in the **sanction letter / loan agreement** before disbursement.
- Changes in interest rate, if any, will be **prospective** in effect, with prior notice to the borrower.

7. Review of Interest Rates

- The Board / delegated committee will review interest rates at least **annually** or earlier if market conditions change significantly.
- Any revision will be duly recorded in the minutes of the meeting and implemented with effect from the notified date.

8. Publication

This Interest Rate Policy will be:

- Displayed at the Company's registered and corporate office(s).
- Published on the Company's official website for public access.

Approved by the Board of Directors on:
Date: 06-10-2025

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.

KARD VENTURES FINANCE PVT. LTD.
Reg. Office: 207, Hemkunt Tower, 98, Nehru Place,New Delhi, India-110019
Tel:(011) 40885555, E-mail:- director@kvfpl.in; rajesh.agarwal@krepl.in
CIN No: U65999DL2020PTC373168

BOARD RESOLUTION

ADOPTION OF INTEREST RATE POLICY

"RESOLVED THAT pursuant to the guidelines of the Reserve Bank of India under the Fair Practices Code for NBFCs and other applicable provisions, the draft *Interest Rate Policy* placed before the meeting be and is hereby approved and adopted as the official Interest Rate Policy of the Company.

RESOLVED FURTHER THAT the said policy be implemented with immediate effect across all lending operations of the Company and that the same be displayed at the Company's registered office, corporate office, branch offices, and on the Company's official website for public information.

RESOLVED FURTHER THAT Any Directors of the Company, be and is hereby authorized to take all necessary steps for giving effect to this resolution, including notifying customers, ensuring that interest rates and charges are transparently disclosed in all sanction letters and loan agreements, and reviewing the policy periodically as per the Board's directions.

RESOLVED FURTHER THAT a certified copy of this resolution be provided to any authority or person as and when required under the signature of a director or Company Secretary of the Company."

Certified True Copy

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director
DIN / Membership No.: 00210719
Date: 06-10-2025
Place: New Delhi

Adopted in Board meeting held on 27-06-2025.

KARD VENTURES FINANCE PVT. LTD.

Reg. Office: 207, Hemkunt Tower, 98, Nehru Place,New Delhi, India-110019
Tel:(011) 40885555, E-mail:- director@kvfpl.in; rajesh.agarwal@krepl.in
CIN No: U65999DL2020PTC373168

KYC & Anti-Money Laundering (AML) / PMLA Policy

(Adopted pursuant to RBI Master Direction – Know Your Customer (KYC) Direction, 2016, and the Prevention of Money Laundering Act, 2002, as amended)

1. Preamble

Kard Ventures Finance Private Limited ("the Company") is committed to complying with all applicable laws and regulatory requirements relating to **Know Your Customer (KYC)**, **Anti-Money Laundering (AML)**, and the **Combating of Financing of Terrorism (CFT)**. This policy outlines the procedures to prevent the Company from being used, intentionally or unintentionally, for money laundering or terrorist financing activities.

2. Objective

- To establish a framework for effective KYC, AML, and CFT measures.
- To ensure compliance with RBI KYC Directions, PMLA provisions, and relevant notifications.
- To protect the Company from reputational and operational risks arising from financial crimes.

3. Scope

This policy applies to:

- All customers, whether individuals, corporates, trusts, or other entities.
- All branches/offices of the Company.
- All employees, directors, and agents acting on behalf of the Company.

4. Key Regulatory References

- RBI Master Direction – Know Your Customer (KYC) Direction, 2016 (updated from time to time).
- Prevention of Money Laundering Act, 2002 & Rules thereunder.
- UNSC Sanctions Lists & RBI/GOI notifications on designated individuals/entities.

5. Customer Acceptance Policy (CAP)

The Company will:

- Not open accounts or extend credit to anonymous/fictitious persons.
- Carry out due diligence for all customers before onboarding.
- Categorize customers as **Low Risk, Medium Risk, or High Risk** based on risk perception.

Adopted in Board meeting held on 27-06-2025.

- Not open accounts or maintain relationships with individuals/entities prohibited by law.

6. Customer Identification Procedure (CIP)

- Obtain **Officially Valid Documents (OVDs)** for proof of identity and proof of address (e.g., Aadhaar, Passport, Voter ID, Driving Licence, NREGA card).
- For companies: Certificate of Incorporation, PAN, Memorandum & Articles, Board Resolution, and proof of address.
- For partnerships: Partnership deed, PAN, proof of address, and details of partners.
- Carry out verification using CKYC database wherever applicable.

7. Risk Categorization

Customers will be classified into categories based on risk assessment:

- **Low Risk:** Salaried employees with known employers, regulated entities, government departments.
- **Medium Risk:** Small businesses, self-employed professionals.
- **High Risk:** Politically Exposed Persons (PEPs), NRIs, high cash-intensity businesses, non-face-to-face customers.

Enhanced due diligence will be applied for high-risk customers.

8. Ongoing Due Diligence

- Periodic KYC updation:
  - High Risk – every 2 years
  - Medium Risk – every 8 years
  - Low Risk – every 10 years
- Monitor transactions for unusual or suspicious patterns.
- Cross-check customers against sanctions and watch lists.

9. Record Keeping

- Maintain records of identification data, account files, and business correspondence for at least **5 years** after the business relationship ends.
- Maintain transaction records for at least **5 years** from the date of transaction.

10. Monitoring & Reporting of Transactions

- Identify and report suspicious transactions to the **Financial Intelligence Unit – India (FIU-IND)** in the prescribed format.
- File **Cash Transaction Reports (CTR)** for transactions above ₹10 lakh in a month.

- File **Suspicious Transaction Reports (STR)** regardless of the transaction amount.

11. Combating Financing of Terrorism (CFT)

- Check all new and existing customers against lists issued by the UN Security Council, RBI, and the Government of India.
- Immediately freeze accounts if any match is found and report to FIU-IND.

12. Appointment of Principal Officer & Designated Director

- The Board will appoint a **Principal Officer (PO)** responsible for AML compliance, STR/CTR filing, and liaison with regulators.
- The Board will appoint a **Designated Director** under PMLA for overall compliance responsibility.

13. Employee Training

- The Company will conduct periodic training for employees to familiarize them with KYC/AML/CFT requirements, red flags, and reporting procedures.

14. Review of the Policy

This policy will be reviewed at least **annually** or earlier, if required due to regulatory changes.

Approved by the Board of Directors on:
Date: 06-10-2025

For Kard Ventures Finance Private Limited

Name: Rajesh Kumar Agarwal
Designation: Director

Adopted in Board meeting held on 27-06-2025.