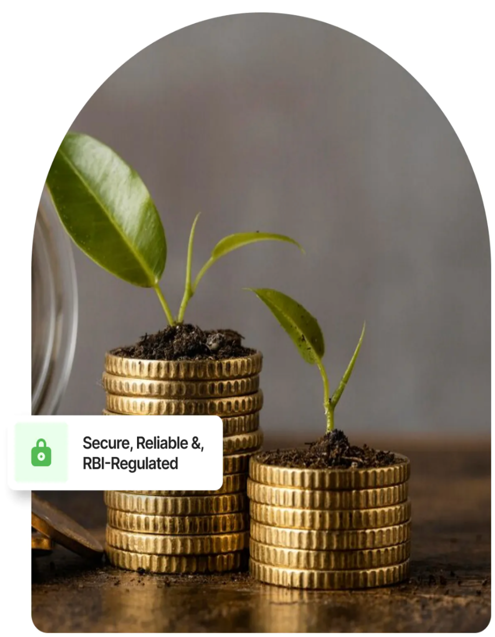
AMBIUM FINSERVE LIMITED
(FORMERLY AMBIUM FINSERVE PRIVATE LIMITED)

Empowering Businesses with Personalised Financial Solutions

Unlock opportunities with our personalised B2B loans, crafted to drive your business forward.



FAIR PRACTICES CODE

Document review and approval

Name of the document	Fair Practices Code
Issuing Authority	Board of Directors
Effective date of the Policy	3rd January 2024
Policy Owner	Chief Investment Officer
Last reviewed on	18thJune, 2026
Next review date	15th May 2027, if required

Version History

Version	Revision Summary	Approving Authority	Effective Date
0	Original	Board of Directors	1 June 2017
1	Version 1	Board of Directors	27 September 2023
2	Version 2	Board of Directors	3rd January 2024
3	Version 3	Board of Directors	29th May 2025
4	Version 4	Board of Directors	18th June 2026

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1. INTRODUCTION AND BACKGROUND

Ambium Finserve Limited (Formerly known as Ambium Finserve Private Limited) (hereinafter referred to as "the Company" or "Ambium"), is a non-deposit taking Non-Systemically Important Non-Banking Financial Company in the category of Investment and Credit Company ('NBFC-ICC') duly registered with the Reserve Bank of India (RBI). Under the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, the Company is categorized as a Base Layer NBFC based on its asset size.

The Company is engaged in the business of providing secured as well as unsecured business loans to the under-served individuals, households, and businesses and offer wholesale lending to other NBFCs and Financial Institutions and other Body Corporates (with an AUM of less than INR 5000 crores) to provide access to credit to under-served segment.

The Company has framed this policy on Fair Practices Code (hereinafter referred to as "the policy") in compliance with the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 (Updated as on April 1, 2026), as amended from time to time and it has been duly approved by the Board of Directors

2. OBJECTIVE OF THE CODE

The Board of Ambium has framed and implemented this policy to create a transparent lending structure such as to promote equal and fair treatment to all the borrowers of the Company. The Company is committed to offer its credit services in a fair, equitable and consistent manner to all prospective borrowers.

Ambium will diligently adhere to its policy on fair practice code based on the following factors:

- promote good, fair, and trustworthy practices by setting minimum standards in dealing with the borrowers
- ensure transparency and provide all necessary information to the borrowers to enable them to have a better understanding of what they can reasonably expect of the services
- adopt legal and ethically tenable business practices
- promote a fair and cordial relationship between the borrowers and the Company

3. KEY COMMITMENTS

1. To abide by all applicable laws, regulations, and guidelines issued by the RBI and other relevant authorities such as Government, Local Authority etc.
2. To desist from introducing any products / services having elements of ‘hidden charges or lack of transparency.
3. To take all possible and reasonable measures to secure the safe custody of the security pledged by the borrower and to compensate the borrower for any accidental, inadvertent, or fraudulent loss of the security whilst in the custody of Ambium.
4. To not take advantage of any unintentional or clerical error made by the borrower while transacting business.
5. Publicise the Code (vernacular language or a language as understood by the borrower), put it on the Company's website and have copies available for the borrower on request.
6. To not discriminate against the borrower on the basis of religion, caste, sex, descent, or any of them.

4. FAIR PRACTICES:

A. APPLICATION FOR LOAN PROCESSING

Ambium believes in offering its services in the simplest possible manner to reach maximum number of customers. The Company operates on following practices in terms of loan application and their processing, if an application form for loan is provided:

a. The Loan application forms of the Company will include all the details related to the offered products, credit period or tenure, the range of interest rates charges and processing fees on offered credit products, fines, penalty charges or any other fees of any nature.

b. The Loan application form will also include the details of various documents/ proofs and information of the borrower required for various credit products offered by the Company. These documents and information will be the basis of initial credit screening and later credit appraisal of the loan application.

c. Borrowers who have evinced interest in availing the loan from the Company should fill up the loan application form, complete in all aspects and should submit the same to the Company, duly signed.

d. The Company will have a system of giving acknowledgement for receipt of loan applications either through physical mode or digital mode like SMS, Email Id, etc. The time frame within which loan applications will be disposed of will be indicated in the acknowledgement.

e. The Loan Application Form shall be in a vernacular language or language as understood by the customer.

For Wholesale Lending activities, loan application shall be done through Sanction Letters or Term Sheets which may be negotiated between Ambium and the Borrower.

B. LOAN APPRAISAL AND TERMS/CONDITIONS

The loan appraisal process of the Company is based on the following practices, where applicable for retail lending:

a. The Company will consider all the documents submitted and the information provided, verify the creditworthiness of the borrower and evaluate the proposal based on the credit evaluation factors specified in the credit policy of the Company. In case any additional information or documents are required, the company will convey the same to the borrower within a reasonable time.
b. The Company will inform the borrower regarding the rejection or approval of the loan application through email, SMS or any other written mode of communication. The Company may also ask for any clarification or any additional documents/information for the credit screening or appraisal of the loan application. This shall not be applicable where loans are being given to non-individuals on wholesale lending basis.
c. After necessary assessment, the Company will convey in writing to the borrower in the vernacular language or a language as understood by the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest, penalty charges or any other attached cost or charges along with other important sanction terms. In case, the borrower accepts the sanction terms of the Company, a loan agreement will be executed between the Company and the borrower with all the detailed terms and conditions specified in such loan agreement. The Company shall mention the penalties charged for late repayment in bold in the loan agreement.
d. The loan agreements to be executed will be based on the sanction terms accepted by the borrower and the borrower shall have the access to verify the details mentioned on the loan agreement before executing the same. The Company will furnish a copy of the loan agreement along with a copy each of all enclosures/annexures quoted in the loan agreement to all the borrowers at the time of sanction/disbursement of loans.
e. The Company will strictly comply with the agreed terms and conditions specified in the loan agreement during the tenure of the loan/credit facility.
f. The borrower will be required to comply with all the terms and conditions mentioned in the loan agreement to support the Company in monitoring and operations of its extended credit facilities to the borrower.

C. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

The Company shall follow the below mentioned practices for disbursement of loans:

a. The loan amount sanctioned by the Company will be disbursed based on the schedule mentioned in the sanction terms as accepted by the borrower. The borrower needs to comply with all the pre disbursement conditions mentioned in the sanction terms of the Company. The Company will disburse the sanctioned amount post confirming the compliance of pre-disbursement conditions.

b. The Company will give notice to the borrower in the vernacular language, or a language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company will also ensure that changes in interest rates and charges are affected only prospectively. A suitable condition in this regard will be incorporated in the loan agreement.

c. Any decision to recall, accelerate payment would be communicated to the borrower in writing as per the terms of the agreement.

d. The collaterals lying with the Company may be released on receipt of full and final repayment of loans subject of course to any legitimate right or lien and set off for any other claim that the Company might have against the borrowers. However, in cases where the borrower has availed facility allowing him to borrow/draw monies within the overall amount sanctioned as and when needed, the collateral may be retained by the Company for operational convenience.

e. If any 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 the conditions under which the Company is entitled to retain the collateral till the relevant claim is settled/paid.

D. COMPLAINTS AND GRIEVANCE REDRESSAL

Customer Service is of utmost importance for Ambium and the Company shall take all possible measures to maintain an effective Grievance Redressal Mechanism. The senior management of the Company will also periodically review the functioning of the grievance redressal mechanism. A consolidated report of such reviews will be submitted to the Board at regular intervals, as may be prescribed by it.

The Company has put together a detailed structure to ensure that borrower complaints and grievances are addressed in a fair and quick manner, within a given framework of rules and regulations. The same can be referred to in the Company's Board approved Grievance Redressal Mechanism Policy available in the office / Company Website.

E. REGULATION OF EXCESSIVE INTEREST CHARGED

a. The Board of Directors of the Company may adopt an interest rate model for determining the rate of interest to be charged on loans and advances, processing and other charges taking into account relevant factors such as, cost of funds, margin, and risk premium, etc. The rate of interest and the approach for gradations of risk and rationale for charging different rates of interest to different categories of borrowers shall be disclosed to the borrower in the application form and communicated explicitly in the sanction letter.

b. The rates of interest and the approach for gradation of risks shall also be made available on the website. The information published on the website or otherwise published should be updated whenever there is a change in the rates of interest.

c. The rate of interest shall be annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

F. GENERAL TERMS AND CONDITIONS

a. All communications to the borrower shall be in vernacular language or in a language as understood by the borrower.

b. The Company will take recourse / actions only through legally permissible remedies as per the terms & conditions of loan agreement entered into with the borrower.

c. The Company 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 information, not earlier disclosed by the borrower, has been noticed).

d. Any agency to whom various activities are outsourced/entrusted will have to be shortlisted and empanelled as per the Company policies issued from time to time.

e. In the matter of recovery of loans, the Company shall not resort to any harassment – such as persistently bothering the borrowers at odd hours (before 8:00 a.m. and after 7:00 p.m.), use of muscle power for recovery of loans, etc. Further, the employee/agents will be adequately trained to deal with the borrowers in an appropriate manner, within the regulatory boundaries as per the Indian law. The senior management of Ambium will oversee the recovery process of overdue payments from the borrowers.

G. REPOSSESSION OF ASSETS FINANCED

The Company, in case of the relevant loan type, if applicable, shall have an built-in re-possession clause in the contract/ loan agreement with the borrower, in case of secure lending, which is legally enforceable. To ensure transparency, the terms and conditions of the contract/ loan agreement contains provisions regarding:

i. Re-possession triggers;
ii. notice period before taking possession;
iii. circumstances under which the notice period can be waived;
iv. the procedure for taking possession of the security
v. a provision regarding final chance to be given to the borrower for repayment of loan before the sale/ auction of the property;
vi. the procedure for giving repossession to the borrower; and
vii. the procedure for sale/ auction of the property.

A copy of such terms and conditions is made available to the borrower in the Loan Agreement executed between the Company and the borrower.

However, where the loan terms and conditions do not include physical tangible property as security, the above provisions shall not be relevant.

In case of loans where the security are receivables/loan book / any other immovable property, the terms and conditions of the Loan Agreement and the Deed of Hypothecation to include relevant triggers and methods of recovery of the security in case of default.

H. Review of and Compliance with Fair Practices Code

The Board or any person authorized by the Board shall review this policy annually or on a need-basis i.e., in the event of change in regulatory framework or for business or operational need (whichever is earlier) and shall recommend all necessary changes for consideration and adoption. Such updates / changes to the Policy will be communicated to the relevant staff /personnel (both in-house or outsourced) and relevant stakeholders across the Company. In case of any conflict of this policy with any direction prescribed by the Reserve Bank of India, the particular direction to the extent of the conflict shall prevail.

Compliance with Policy:

For transactions undertaken, implementation of the principles of this Policy shall be maintained as follows:

(i) the leading credit/risk associate shall be the maker for the conformity with the Policy;

(ii) Post the maker review, any member of the Executive Committee of the Board of Directors, or any such person as may be authorized by the Board shall confirm the compliance with the Policy as checker.

END OF DOCUMENT

This document is the property of Ambium Finserve Limited.