

## **General Loan Terms & Conditions, Customer conduct Policy and Fair Practices Code Policy of R2P Capital Private Limited**

### **Introduction & Regulatory Framework**

R2P Capital Private Limited (“the Company”, “R2P Capital”) is a newly formed Non-Banking Financial Company (Investment and Credit Company) classified in the **Base Layer (NBFC-BL)** under the Reserve Bank of India’s Scale-Based Regulation (SBR) framework. In line with RBI guidelines, the Company has formulated this comprehensive **Loan Terms & Conditions and Fair Practices Code (FPC)** policy. This policy is drafted to ensure compliance with the RBI’s Fair Practices Code for NBFCs and relevant regulations (including the latest RBI Master Directions 2023 on SBR – Prudential Framework) while promoting transparency, customer fairness, and regulatory compliance in all lending operations. The policy has been approved by the Company’s Board of Directors and will be published on the Company’s website for stakeholders’ information. It will be reviewed periodically to incorporate any changes as prescribed by RBI from time to time.

### **Objectives of the Policy**

- **Fair and Ethical Lending:** To set minimum standards for fair business practices when dealing with customers, ensuring **transparency** and honesty in all loan terms and dealings. The Company shall follow ethical practices, avoiding deceptive or unfair lending conduct.
- **Regulatory Compliance:** To fully comply with RBI’s guidelines and directions, including the Fair Practices Code, SBR Directions 2023 (applicable to NBFC-BL), and relevant provisions of the Companies Act and other laws. This includes adhering to prudential norms, customer protection rules, and disclosures mandated by regulators.
- **Customer Protection:** To ensure that borrowers are well-informed about the products, terms, and conditions of loans through clear disclosure of all relevant information. This helps customers make informed decisions and builds trust.
- **Grievance Redressal:** To establish an effective **Grievance Redressal Mechanism** for resolving customer complaints promptly and fairly, and to meet regulatory requirements for customer complaint handling and escalation.
- **Operational Clarity:** To delineate the operational processes for loan application, appraisal, sanction, disbursement, repayment, collection, and default recovery in a manner that is consistent with fair practices and customer service quality.

### **Scope and Applicability**

This policy applies to all employees, officers, and authorized agents of R2P Capital involved in the lending business, and covers all loan products and services offered by the Company. Currently, the Company’s product offerings are **Business Loans** (loans for business purposes), and the policy will govern the terms and conditions and customer interactions for all such loans. The principles in this policy apply regardless of the mode of offering (physical, digital, or otherwise) and to all customers **without discrimination** on grounds of race, gender, religion, caste, or physical ability. The Company also ensures that visually impaired or disabled applicants are treated fairly and not denied services on grounds of disability. Any future loan products introduced will also be covered under this policy.

### **Key Principles of Fair Lending Practice**

R2P Capital commits to the following fundamental principles in all its dealings with borrowers:

- **Non-Discrimination:** The Company shall not discriminate among customers on the basis of gender, age, religion, caste, marital status, physical ability, etc., in accordance with law and good practice.

However, the Company may participate in government or regulator-prescribed special schemes for certain groups as applicable, while maintaining fairness for all.

- **Transparency:** All loan terms, conditions, fees, and charges will be clearly disclosed to the borrower in a language understood by the borrower. Communications (such as application forms, sanction letters, loan agreements, and notices) will be in English or in the vernacular language / language preferred by the borrower, ensuring the borrower can comprehend the information. The Company will **not mislead** the customer about any product features or terms. Key terms will be explained to the customer and any questions will be answered to their satisfaction before loan agreements are signed.
- **Fair Disclosure:** The Company will provide each borrower with **comprehensive information** about their loan – including the interest rate (expressed on an annualized basis), applicable fees and taxes, repayment schedule, and any other terms – **prior** to the borrower’s acceptance of the loan. Critical terms like penal interest for late payment will be specifically highlighted (e.g. in bold text in the loan agreement) to ensure the borrower’s attention. No hidden charges will be debited to the loan account; all charges will be communicated upfront.
- **Responsible Lending:** The Company will assess the borrower’s creditworthiness through a prudent credit appraisal process and sanction loans that the borrower has the capacity to repay. Lending decisions will be taken after due diligence and verification of information provided by the customer. The Company will not indulge in reckless lending or over-extending credit in a manner that compromises the borrower’s financial stability.
- **Privacy and Confidentiality:** Customer’s personal information will be kept confidential and used only for legitimate business purposes. Unless required by law or with customer’s explicit consent, the Company will not disclose borrower data to any third party. (Exceptions: sharing information with regulators or credit bureaus as required, or if disclosure is mandated by public duty or in the borrower’s interest such as fraud prevention.) The Company’s privacy practices comply with applicable data protection regulations.
- **Borrower Courtesy:** The Company’s staff and representatives will treat customers with respect and dignity. We will communicate courteously and helpfully at all times. Borrowers will not be subject to rude or harsh treatment. Field staff/agents will be properly trained to deal with customers in an appropriate manner, especially during loan recovery interactions. We aim to build long-term customer relationships based on trust and respect.

These key principles guide the detailed policies and procedures outlined in the subsequent sections.

### **Products Covered – Business Loans**

Under this policy, “Business Loans” refers to loans provided by R2P Capital to business entities or individuals for business purposes (such as working capital, business expansion, equipment purchase, etc.). These loans may be extended to:

- **Individual entrepreneurs or proprietors** (where the borrower is an individual person running a business),
- **Partnerships or private companies** (small and medium enterprises), or
- **Other legal entities** engaged in business activities.

Currently, the Company does **not** offer consumer personal loans, gold loans, or microfinance loans; its focus is on MSME and business lending. Therefore, product-specific disclosures in this policy will primarily pertain to Business Loans. There are no unusual eligibility conditions or special interest rate structures for these loans beyond standard credit criteria – each application is evaluated on its merits and risk profile. The typical loan

amount, tenure, interest rate, and repayment terms will vary based on the borrower's requirements and credit assessment, but all such terms will be transparently communicated to the borrower as per this policy.

*Note:* If the Company introduces new loan products in the future, this policy will be updated to include any additional product-specific terms or disclosure requirements. All lending products will follow RBI's Fair Practice Code principles.

## **Loan Application Process**

**1. Loan Application Forms:** The Company will issue standardized **loan application forms** (physical or digital) for customers to apply for a loan. The application form will include all **relevant information affecting the borrower's interest**, enabling them to make an informed decision. For example, the form or accompanying documents will clearly indicate the list of information and documents the applicant needs to submit (KYC documents, financial statements, business details, etc.). It will also mention the basic eligibility criteria (if any) and factors the Company considers during appraisal. No application will be rejected for want of any additional document that was not originally indicated in the checklist unless legally required.

**2. Acknowledgment of Application:** Every completed loan application received will be **acknowledged in writing** (by issuing a receipt or confirmation via email/SMS). The acknowledgement will indicate an **estimated timeline** within which the applicant can expect to hear about the loan decision or further processing steps. (For instance, the acknowledgment may state that *"Your application will be processed and a decision communicated within \_\_ working days, subject to receipt of all required documents."*) The Company strives to decide on loan applications quickly; typically, straightforward business loan applications are processed within a few working days. If additional documentation or information is required, the Company will contact the applicant promptly.

**3. Loan Processing and Verification:** Upon receiving the application, the credit team will verify the information provided by the borrower. This may involve checks such as: reference checks, credit bureau reports, verification of KYC documents, assessment of financial statements and bank statements, field visits or discussions with the borrower about the business, etc. The borrower's creditworthiness and repayment capacity are evaluated as per the Company's internal credit policy. All loan applications are assessed in a consistent manner without bias.

**4. Communication During Processing:** If any additional information is required during processing, the Company will inform the applicant and provide assistance to comply. In line with RBI guidelines, the loan application process will not be unduly onerous or time-consuming; the Company will make efforts to keep the process smooth and quick. Applicants can inquire about the status of their application through customer service channels.

**5. Rejected Applications:** In cases where a loan application is not approved, the Company will **inform the applicant of the rejection** within a reasonable time. Wherever feasible, the Company will convey the main reason(s) for rejection to the applicant, especially if the applicant requests such explanation. This communication may be done in writing (letter or email/SMS) and will state that the loan was not sanctioned. The applicant will also be informed that they have the right to apply again in the future if their circumstances or credit profile changes. The aim is to ensure transparency even in rejection and help the customer understand what could be improved for future applications.

## **Loan Appraisal and Sanctioning**

**1. Credit Appraisal:** All loans will be subjected to a thorough **credit appraisal** in line with the Company's Board-approved credit policies. This includes evaluating the borrower's business model, income/cash flows, existing obligations, past credit history, collateral (if any), and overall financial stability. The Company will ensure that the loan amount and structure are **suitable to the borrower's needs and repayment capacity**. Over-indebtedness will be avoided – we will consider the borrower's total debt burden. For MSME borrowers, due weightage will be given to business viability and projections. The appraisal process also involves risk

categorization of the borrower, which will influence the pricing (interest rate) as per our Risk Based Pricing policy.

**2. Sanction Decision:** Based on the appraisal, a decision will be made to approve the loan (possibly with modified terms) or to reject it. Approval authorities and underwriting limits are defined internally (e.g. credit manager or credit committee depending on loan size). Once a loan is approved, the Company will prepare a **Sanction Letter** outlining the approved terms. If a loan cannot be approved as requested but could be sanctioned on modified terms (for example, a lower amount or with collateral), the Company will discuss such options with the borrower first.

**3. Issuance of Sanction Letter: Upon approval, a Sanction Letter will be issued to the borrower.** This letter (or sanction advice) will **clearly communicate the key terms and conditions of the loan sanctioned**, including at least the following details:

- **Sanctioned Loan Amount:** The principal amount of loan approved.
- **Interest Rate:** The **annualized rate of interest** applicable, along with the type of interest (whether fixed, floating or hybrid). If floating, the reference benchmark and spread will be indicated. The method of interest calculation (such as daily reducing balance) will be mentioned.
- **Tenure and Repayment Schedule:** The tenure of the loan (in months or years) and the **repayment schedule** – e.g. number of EMIs (Equated Monthly Installments) or periodic installments, their amounts, and frequency. The commencement date of repayment and due dates for payments will be specified. If a **moratorium** period is offered, that will be stated.
- **Installment Details:** The amount of each installment (e.g. EMI amount) and total number of installments. If the repayment is structured (non-equal installments or balloon payment, etc.), the details will be provided.
- **Processing Fees and Charges:** All applicable fees, charges, and taxes payable in connection with the loan. This includes processing fee, administrative fee, documentation charges, stamp duty (if applicable), GST on fees, etc. The sanction letter will show these either as upfront fees (to be paid by borrower or deducted from disbursement) or as included in the loan amount, as the case may be.
- **Penal Interest:** The **penal interest rate** or late payment charges for any overdue amount will be clearly mentioned (typically in **bold text** in the loan agreement). For example, the letter may state: “Penal interest of X% per annum (over and above the regular interest rate) will be charged on any overdue installment or amount, for the period of delay.”
- **Security / Collateral (if applicable):** If the loan is secured, the sanction terms will list the security/collateral to be provided (e.g. details of property, guarantee, fixed deposit lien, etc.). Any specific conditions regarding creation of charge, insurance of collateral, etc., will be indicated. For unsecured loans, it will be stated that no collateral is taken.
- **Other Important Terms:** Any other key condition or covenant relevant to the borrower will be highlighted. For example, if the loan has a prepayment lock-in period or prepayment charges, this will be disclosed (noting that in compliance with regulations, no foreclosure charges are levied on floating rate loans to individual borrowers). If the loan agreement contains specific rights (like call option, accelerations, or specific restrictions on borrower (negative covenants)), those will be summarized in the sanction letter. The letter will also mention that detailed terms are in the loan agreement and the borrower should read it carefully before acceptance.

The sanction letter is typically valid for a certain period (7–15 days, depends on loan terms) for the borrower’s acceptance. The borrower will be given the opportunity to review the sanction terms (and the Key Fact Statement, see below) and ask any questions. The Company will **retain on record the borrower’s written**

**acceptance** of the sanction terms. This could be in the form of the borrower countersigning the sanction letter or a separate acceptance form/communication. Only after the borrower agrees to the terms, the process moves to documentation and disbursement.

**4. Key Facts Statement (KFS):** Along with the sanction letter, the Company will provide the borrower with a **Key Facts Statement (KFS)** – a standardized summary of the most important terms of the loan, as mandated by RBI’s circular dated April 15, 2024. The KFS is presented in a **format prescribed by RBI** and contains crucial information like the loan amount, tenor, interest rate, Annual Percentage Rate (APR), installment schedule, all fees and charges, details of any recovery agency involvement, and the grievance redressal mechanism. (See **Annexure 1** for the detailed list of contents in the KFS format.) The KFS allows the borrower to easily review and understand the key loan terms at a glance.

- The KFS will be provided before execution of the loan agreement, giving the borrower time to review it and make an informed decision: 7–15 days, depends on loan terms. R2P Capital will adhere to these timelines – meaning once we issue the KFS and sanction letter, the borrower has a window to accept the terms, and the Company will not change the terms during that period. If the borrower agrees within the validity period, the Company is intended to disburse under those terms.

- The contents of the KFS will be explained to the borrower in a simple language and the borrower’s acknowledgment of understanding will be obtained. The KFS (and all communications) will be provided in a language understood by the borrower. The borrower is encouraged to ask questions on any term they do not understand.

- Annual Percentage Rate (APR): The KFS includes the APR, which is the all-inclusive cost of the loan to the borrower on an annualized basis. The APR takes into account the interest rate and all other fees, charges, and insurance premium (if financed) to give a standardized measure of cost. R2P Capital will calculate and disclose the APR as per the RBI’s formula/guidelines so that the customer can compare the cost of credit with other offers.

- The KFS also contains qualitative information such as the clause on engagement of recovery agents, details of the grievance redressal mechanism and contacts, and a note on the potential for the loan to be transferred or assigned to another entity (if applicable). If the loan is originated in partnership with another lender or involves any digital lending partners, the KFS will disclose the names and roles (though currently R2P Capital’s business loans are direct, not through partnership).

- The Most Important Terms and Conditions (MITC) of the loan are effectively covered in the KFS. The Company ensures that no terms or fees outside of what is documented in the KFS/sanction letter will be imposed on the borrower without explicit consent. In other words, if any charge was not mentioned in the loan documentation provided to the customer, the Company will not surprise the customer with it later. This aligns with RBI’s directive that regulated entities shall not introduce undisclosed charges at a later stage.

**5. Execution of Loan Agreement:** After the borrower has accepted the sanction and reviewed the KFS, the **loan agreement** is executed. The loan agreement is a detailed contract that contains all terms and conditions of the loan, including standard covenants, representations, events of default, etc. Key points about the loan agreement and documentation:

- The loan agreement will be written in **plain language** (English or the local language understood by the borrower). A **summary box** containing the Key Fact Statement will form part of the agreement (often at the start as a quick reference). The borrower is advised to read the agreement carefully; any clauses of particular importance (like collateral repossession terms, if applicable) will be specifically pointed out.
- The agreement will include a **repossession clause** (if the loan is secured by assets), which is legally enforceable, transparent and fair. For example, in the case of a loan secured by a vehicle or equipment, the contract will lay out the process the Company may follow if the borrower defaults and the asset

needs to be repossessed. It will cover the notice period before repossession, circumstances under which notice might be waived (if any), the procedure for taking possession, a final opportunity for the borrower to pay before sale, the process of sale/auction, etc., in accordance with RBI guidelines. This ensures the borrower is not caught unawares about what could happen in a default scenario and the process remains fair and transparent.

- **Copy of Agreement:** As part of fair practice, **after execution of the loan agreement, the Company will provide the borrower with a copy of the signed loan agreement and all enclosures** (annexures, KFS, any security documents, etc.). This will typically be handed over at disbursement or sent via email immediately upon execution. The borrower will thus have all documents for their record.
- The loan agreement will also reiterate key commitments such as the Company's **grievance redressal mechanism**, borrower's right to prepay (subject to terms), and reference to the Company's Fair Practices Code. It will mention that the Company has a Board-approved interest rate policy and that the borrower has been informed of all applicable rates/charges.
- **KYC Compliance:** Prior to or during loan sanctioning, the Company will ensure full compliance with **Know Your Customer (KYC) guidelines** and Anti-Money Laundering rules. Borrowers will be informed of KYC document requirements (proof of identity, address, etc.), and the reason such information is collected. Only information necessary for KYC and credit evaluation will be obtained – we avoid asking for irrelevant data. Any additional data sought (beyond standard requirements) will be explained (for instance, if we ask for a GST return or bank statement, it is to assess business cash flows). This ensures transparency in data collection and privacy.

By completing the above steps, the loan is formally sanctioned and documented. The next step is disbursement of the loan amount as per the agreed terms.

## **Disbursement of Loans**

**1. Disbursement Conditions:** Disbursement of the loan will be made only after the borrower has: (a) **executed the loan agreement** and any security documents, (b) provided all required post-approval documents (such as promissory notes, guarantor signatures if any, insurance policy assignments if required, etc.), and (c) completed any other **pre-disbursement conditions** specified (for example, a lien marking on collateral, or initial margin contribution by borrower in some cases). The sanction letter or loan terms will specify any such conditions clearly. The Company will ensure that the borrower is informed of all requirements for disbursement.

**2. Mode of Disbursement:** All loan disbursements will be made **directly into the borrower's designated bank account** (or as otherwise agreed, such as to a vendor's account in case of asset financing, if structured so, with the borrower's consent). Cash disbursement is not practiced, in order to maintain transparency and an audit trail. The disbursement may be one-time (full amount in one tranche) or in stages (tranche-wise disbursement) depending on the nature of the loan. If the loan is disbursed in stages (for example, linked to project completion or specific usage milestones), the schedule for disbursement and required conditions for each tranche will be communicated in advance and also noted in the KFS/sanction letter.

**3. Notice of Disbursement & Repayment Schedule:** Upon disbursement, the borrower will be notified (through a disbursement advice or a welcome letter) stating the amount disbursed, the date of disbursement, and the *repayment schedule* (with dates and amounts of installments). This serves as a reference for the borrower on when repayments start and the pattern of installments. If any changes occur between sanction and disbursement (for instance, a minor variation in disbursed amount due to rounding off of interest or due to deduction of processing fee), the same will be clearly communicated.

**4. Changes in Terms and Conditions:** **The Company will not unilaterally change any terms and conditions of the loan** to the detriment of the borrower after the loan agreement is executed, except as permitted by the contract and with due notice. In particular:

- **Interest Rate or Charges:** If there is any change in interest rate or any other charges that is adverse to the borrower (e.g. an increase in interest rate on a floating-rate loan due to benchmark change, or imposition of new fee), such change will be communicated **in writing** to the borrower **prior to the effective date**. The intimation will be in the vernacular or a language understood by the borrower. Changes in interest rates (if floating) will be made only with **prospective effect** – we will not increase rates retrospectively for the period already past. A suitable clause to this effect is included in the loan agreement as per regulatory guidelines. Any change in the basis of charge (e.g. switching from fixed to floating rate) would either be as per the contract or with the explicit consent of the borrower.
- **Instalment Schedule:** If, for any reason, there is a change in the **repayment schedule** (for example, due to moratorium extension, restructuring, or any borrower-requested change), it will be documented and communicated to the borrower. Such changes would typically involve the borrower's consent or request.
- **Other Terms:** Any other significant change (like terms of security, covenants, etc.) would either be per the loan contract (for example, covenant breach triggers) or mutually agreed. The borrower will not be taken by surprise; communication will precede enforcement of any changed term.

When changes in terms are made, the communication will highlight what is changing and from when. For instance, if the reference benchmark for a floating loan changes or there's a policy repo rate change affecting the loan, an email/letter will inform the borrower of the new rate, the effective EMI from next cycle, etc.

**5. Right to Recall / Acceleration:** If the Company has a contractual right to demand earlier payment (recall) or accelerate the loan (say, upon borrower default or deterioration in credit), any decision to exercise that right will be in strict accordance with the **loan agreement terms**. Such clauses (events of default and lender's rights) are clearly stated in the agreement. The Company will follow due process (such as giving notice or cure period if contractually required) before recalling a loan. There will be no arbitrary call for repayment without basis in the agreement.

**6. Release of Securities:** All collateral security documents will be released to the borrower or to the person who provided the security promptly upon full repayment of the loan and all other dues. Once the borrower has paid all principal, interest, fees, or other charges due (or in case of pre-closure, paid off the entire loan), the Company will execute necessary documents to release any charges on assets (for example, remove lien on fixed deposit, release mortgage on property, return post-dated cheques or security cheques, etc.). This will be done within a reasonable time (typically within 15 days of loan closure) and without undue delay. If the Company has any **other legitimate right or lien** on the borrower's asset (for example, the borrower has another pending claim or loan with the Company), and if such right is to be exercised to hold the asset, the borrower will be given due **notice with full particulars** of the claim and the conditions under which the Company is entitled to retain the assets until the claim is settled. Otherwise, no lien will be retained after loan closure. The borrower will be issued a "No Dues/ Closure Certificate" on request after loan repayment.

The above disbursement practices ensure that the borrower fully understands the loan implementation and there are no surprises post-sanction. All actions are guided by transparency and fairness as per RBI's fair practice norms.

### **Interest Rate and Charges Policy**

R2P Capital follows a **Board-approved Interest Rate Model** to determine the interest rates and other charges for its loan products, in compliance with RBI guidelines. The key aspects of our interest rate and fee policy are:

- **Determinants of Interest Rate:** Interest rates for loans are arrived at by taking into account several components, primarily: the Company's cost of funds, a margin to cover operating costs, credit risk premium based on borrower risk profile, and a reasonable profit margin. Thus, riskier borrowers or unsecured loans may attract a higher rate, whereas secured or lower-risk borrowers enjoy relatively

lower rates. This framework ensures **risk-based pricing**. The Board of Directors has approved this approach, and it is periodically reviewed.

- **Range of Interest Rates:** The Company decides an interest rate (typically an annual percentage) for each loan at sanction. There is no fixed rate for all loans; it can vary case-to-case. However, the Company will avoid charging **excessive interest rates** beyond what is reasonable. RBI has observed that exorbitant rates could be seen as unfair. Therefore, internal caps or review mechanisms are in place to prevent unjustified high rates.
- **Disclosure of Rates and Risk Grade:** As required, the **rate of interest and the approach for gradation of risk** are disclosed upfront to the borrower – both in the loan application form and explicitly in the sanction letter. This means the borrower is made aware if, for instance, they are categorized in a certain risk grade and how that affects the interest charged. The sanction letter clearly states the final agreed rate.
- **Annualized Rate:** All interest rates communicated are annualized (per annum) rates. We do not use misleading flat rates. Presenting the rate in annual percentage terms allows borrowers to know the exact cost. For example, if we say 18% per annum with monthly rests, the effective APR may be slightly higher, but we ensure the APR is also disclosed in the KFS.
- **Other Charges:** Along with interest, the Company may levy certain fees or charges (processing fee, late payment penalty, cheque bounce charges, documentation charges, etc.). All such charges are also part of the **Board-approved policy** and are kept reasonable. The Company **discloses all applicable charges** to the borrower in the application form (or product literature) and again in the sanction letter/KFS. The goal is to ensure the borrower is aware of the “**All-in-Cost**” of the loan.
- **Changes in Charges:** If there is any change in charges (for example, an increase in processing fee structure for new loans), it will not affect existing borrowers except if explicitly agreed or as per contract. For changes affecting future borrowers, those will be updated on the website and communicated in the documentation. The Company updates its published rate schedule whenever a change is approved.
- **No Hidden Charges:** The Company commits that aside from the charges stated in the loan documents, **no additional amounts** will be charged to the borrower at any stage without **explicit consent**. If a scenario arises where a fee must be charged (for example, legal fees for recovery in case of default), such charges are either provided for in the contract or will be communicated and agreed upon (or charged on actual basis as per contract).
- **Prepayment/Foreclosure Policy:** The borrower is usually allowed to prepay or foreclose the loan by paying the outstanding dues. The policy regarding foreclosure or prepayment charges will be in line with RBI norms. As a matter of RBI policy, **no foreclosure charges or prepayment penalty is levied on floating rate term loans sanctioned to individual borrowers**. R2P Capital adheres to this – if any business loan is given to an individual (proprietor) on a floating rate, there will be no penalty for early closure. For other cases (e.g., fixed-rate loans or loans to companies), any prepayment penalty or charge will be clearly mentioned at loan inception and will be reasonable. We may even waive such charges in genuine cases as a customer-friendly measure.
- **Penal Interest:** As mentioned, any **penal interest** for late payment is charged **only if the payment due is not made by the due date** and typically for the period of delay. The rate of penal interest is indicated in the loan agreement (e.g., “3% per month on overdue amount” or similar) prominently. Penal charges are not compounded. This is intended as a deterrent against willful default and not as a revenue source; genuine cases of hardship can be dealt with through customer service (for example, providing a grace period or one-time waiver if the reason is justified).

- **Interest Rate Review and Benchmarking:** The Company periodically reviews its **interest rate framework** in light of market conditions, competition, and regulatory changes. For floating-rate loans, if the benchmark (say, an external benchmark or the Company's Prime Lending Rate) changes, the borrower's rate changes accordingly with notice (prospectively). The Company may use an external benchmark (like repo rate) plus spread for transparency, or an internal base rate system as per regulatory standards. Any change in benchmark or formula will be communicated and also updated on our website/newspaper as required.

This interest rate policy ensures a balance between the Company's sustainability and fairness to customers. It is documented separately as well (Interest Rate Policy) and made available to customers on our website for transparency.

## **General Terms and Conduct with Borrowers**

**1. No Interference in Borrower's Affairs:** R2P Capital will **refrain from interference in the day-to-day business or operations of the borrower except** as required under the loan agreement. This means we will not meddle in how the borrower runs their business or uses their funds, so long as they are abiding by the loan terms. We may monitor the loan end-use if it's a part of the terms (for instance, if the loan was given for purchase of machinery, we may seek proof of purchase), but we will not exercise control beyond our contractual rights. If the borrower has provided post-dated cheques or set up auto-debit for loan repayment, the Company's involvement is limited to those repayment mechanisms. We commit not to harass or interfere in the borrower's other affairs. **However**, if any **new information** comes to light that was not disclosed by the borrower (for example, undisclosed debt obligations or deterioration in collateral), which significantly affects the borrower's creditworthiness or our security, the Company reserves the right to inquire or act as needed to protect our interest (as allowed by the contract or law). This reservation is purely to manage credit risk and not to encroach on the borrower's freedom.

**2. Transparency in Loan Conditions:** The Company ensures all terms and conditions are clearly documented. We avoid ambiguous clauses. The borrower is made fully aware of **all obligations** (e.g., to inform us of address change, to maintain asset insurance if loan is secured, etc.) and our obligations (e.g., to release security on closure, to give notice for changes). The loan agreement contains all such terms in a plain and readable form. We also adhere to **language requirements** – providing documents in a language understood by the borrower – thereby ensuring transparency is effective.

**3. Right of Borrower to Transfer Loan:** If a borrower desires to **repay their loan by taking a loan from another bank/NBFC (balance transfer)** or otherwise transfer the account, the Company shall **cooperate with the borrower for such transfer**. On receiving a request to transfer a loan (by issuing a foreclosure letter, loan closure statement, or NOC to the new lender), the Company will *respond within 21 days* with either an acceptance (and the necessary closure amount details) or an objection if any. Any objection would only be if there is a valid contractual or legal reason (for example, if the loan contract has a lock-in period or if simultaneous collateral release cannot be done due to another lien). If everything is in order, we will issue the closure statement and release securities as needed to facilitate the transfer. Such transfer will be done as per **transparent contractual terms and in accordance with law** – meaning we will not impose any hidden penalty; only the charges as per contract (like foreclosure charge, if applicable) will be payable by the borrower. We understand that borrowers have the right to refinance their loans for better terms and we will not unduly hold up such requests.

**4. Confidentiality:** As stated earlier, the Company will treat borrower information with utmost confidentiality. **Privacy of data** is maintained and information about the borrower's account or personal details will not be revealed to unauthorized persons. Specifically, we will not disclose details of the borrower's loan to any **third party** except in these situations: (a) disclosure is required by **law/regulation** (e.g., to RBI, credit bureau, law enforcement on valid demand, or when mandated by court order); (b) disclosure is under **duty to public** (e.g., if we suspect fraud or illegal activities, informing authorities); (c) disclosure is in **borrower's interest** (e.g.,

sharing data with an insurer if insurance claim needs to be processed, or with guarantor with borrower's knowledge); or (d) the **borrower has consented** to such sharing (e.g., with a co-lender or trade references). Even when engaging third-party service providers (like collections agents or tech vendors), appropriate data protection agreements are in place to ensure customer data is safe.

**5. Staff Training and Code of Conduct:** All employees and representatives dealing with customers are trained in the Fair Practices Code. They are provided guidelines on how to communicate, how to handle difficult situations, and how to remain professional. The Company takes **all necessary steps for preventing inappropriate staff behaviour** and has a zero-tolerance policy for misconduct. Any deviation by staff can lead to disciplinary action. Our agents (e.g., direct selling agents or recovery agents) are also required to follow a code of conduct that aligns with our fair practice standards. We ensure agents represent the Company ethically and any complaints against them are taken seriously.

**6. Compliance with Other Laws:** The Company will also comply with all other applicable laws in its dealings – such as the Consumer Protection Act, data protection laws, and local laws as relevant. Contractual documents will meet the requirements of the Indian Contract Act and other statutes. We also abide by the RBI's **Fair Practices Code for Lenders** and **Code of Customer Rights**, ensuring fairness, transparency, and accountability in all respects of our operations.

### **Loan Recovery Process**

The Company's recovery policy is built on courtesy, fairness, and adherence to law. While the Company expects borrowers to meet their repayment obligations timely, we understand there may be genuine difficulties leading to delays or defaults. The recovery process is designed to be **firm yet respectful**:

**1. Reminder and Notices:** If a borrower fails to pay an installment by the due date, the Company will follow a structured process to remind the borrower. This may include reminder calls, SMS or email alerts shortly after the due date. If the delay persists, a formal written **notice** may be sent reminding the borrower of the overdue amount and requesting immediate payment. All communication will be in polite language, giving the benefit of doubt in the early stages (the borrower may have simply forgotten or faced a temporary issue). Our communication will also inform the borrower of any late charges accruing due to the delay, so they are fully informed.

**2. No Harassment or Unfair Practice: In the matter of recovery of loans, R2P Capital will not resort to undue harassment or coercion.** This means: no persistently bothering the borrower at odd hours, no use of abusive language or threatening demeanour, and absolutely no physical or verbal harassment. We do **NOT** employ any **musclemen** or unauthorized recovery agents. All collection efforts are through trained Company staff or empanelled agencies who have been educated about appropriate conduct. Tele-calling for collection will be done at convenient times (generally between 8 a.m. and 7 p.m., unless the borrower consents to talk at another time). The frequency of calls or visits will be within reasonable limits. RBI's guidelines on recovery agents' conduct are strictly followed. Should there be any complaint of improper behaviour by our staff or agent, it will be investigated and corrective action taken immediately.

**3. Identification of Representatives:** Any person authorized to represent the Company for collections (whether an internal staff or an external recovery agent) will **carry proper identification** and authorization letter. They will identify themselves when contacting the borrower and on request will show official ID card or authorization letter of the Company. This is to assure the borrower that the person is genuine. Agents have been instructed to maintain decency and decorum during visits – e.g., dress appropriately, address the customer respectfully, and discuss only matters related to the loan.

**4. Adherence to Legal Norms:** The Company's recovery process works **within the legal framework**. We primarily rely on legal remedies available under the contract and law (such as sending demand notices under Section 138 of NI Act for bounced cheques, initiating recovery proceedings under the Insolvency and Bankruptcy Code, invoking arbitration or court legal proceedings for recovery, enforcing collateral through

due process under SARFAESI Act if applicable, etc.). We do not intend to use any extrajudicial means. If a loan turns delinquent beyond a point, the Company may classify it as a Non-Performing Asset (NPA) and escalate recovery actions in line with regulatory norms. Even then, all actions (like repossession of assets) will follow the legally prescribed procedures: for example, giving proper notice, using only authorized officers for seizing assets, and not violating the borrower's rights of peaceful possession until due process is followed. Our contracts have the necessary clauses to enforce security interest lawfully.

**5. Engagement of Recovery Agents:** If the Company engages **Recovery Agents** (third-party agencies) for collections, it will: (a) ensure such agents are compliant with RBI's guidelines and have their own code of conduct aligned with our FPC; (b) provide them with proper training on dos and don'ts; (c) assign accounts to them with full background information and instructions not to violate any laws; and (d) monitor their actions. The agreement with agencies will include strict adherence to our standards. For digital lending or app-based recovery (if any), we will not allow any misuse of borrower data for coercion (like public shaming, etc. – which is prohibited).

**6. Information to Borrower:** During collection visits or calls, our staff/agent will, if asked, provide the borrower with **full information regarding the loan account status** – such as total amount overdue, interest accrued, etc.. The borrower will not be left in the dark about how their dues have been computed. We also typically remind them of the consequences of continued default in a factual manner (for instance, "Please note that continued non-payment could affect your credit score and may lead us to take legal action as per the loan agreement.").

**7. Avoiding Conflict Situations:** Recovery staff are trained to handle sensitive scenarios. For example, if they learn about a borrower's **critical illness or death**, they are to communicate with empathy, possibly pause aggressive recovery and suggest the family to inform the Company officially so that a solution (like settlement or insurance claim if any insurance exists) can be worked out. Coercion in such situations is strictly forbidden.

**8. Recovery Resolution and Settlements:** The Company may, at its discretion, entertain settlement proposals or alternative arrangements (like restructuring) for stressed accounts, in line with regulatory guidelines for resolution of stressed assets. Any **settlement** (loan compromise) will be done transparently with written terms and full receipt given for any payments made. Customers in temporary hardship may be given options such as a short-term deferment or restructuring as per Board-approved policy and RBI's Prudential Framework for resolution.

**9. No Bribes or Misuse:** Borrowers are not required to pay any amount other than those legitimately due under the loan contract. Our recovery agents/staff are forbidden from asking borrowers for any "extra" payments to avoid action. If any borrower encounters such a request, they should report it to our Grievance Redressal Officer immediately.

In summary, the Company's approach is to handle defaults pragmatically – to encourage and enable the borrower to regularize the loan – rather than mere coercion. The dignity of borrowers (and their guarantors/family) will be respected throughout the process. Recovery is normally the last resort and the Company's first preference is always to work out a solution with cooperation from the borrower. All recovery actions are subject to the borrower's rights and opportunities as per law.

### **Grievance Redressal Mechanism**

R2P Capital is committed to providing a robust customer service and grievance redressal system to ensure all customer concerns are addressed promptly and to the customer's satisfaction. The Grievance Redressal Mechanism (GRM) is as follows:

**1. Multiple Channels for Complaints:** A customer can submit a complaint or feedback through various channels – including:

- **Phone:** +91 77018 03331

- **Email:** [info@r2pcapital.com](mailto:info@r2pcapital.com)
- **Letter:** A-92, Ground floor, B/P A- Wing, Nambardar Estate Taimoor Nagar, New Friends Colony South Delhi, New Delhi, Delhi, India, 110025
- **Website:** <https://r2pcapital.com/>
- **In Person:** Customers can visit the Company's office and speak with an officer or submit a written complaint in person.

These contact details (phone numbers, email, address) for grievance submission are **displayed prominently** at all our branch offices and business locations, and on our official website.

**2. Grievance Redressal Officer:** The Company has appointed a senior-level **Grievance Redressal Officer (GRO)**. The contact details (telephone number and email address) of the Grievance Redressal Officer are also displayed publicly. The designated GRO for R2P Capital can be contacted at **Telephone No. +91 9319499344** and **gro@r2pcapital.com**. These details are provided to enable customers to escalate complaints in case they are not satisfied with the resolution provided by customer care.

**3. Resolution Process and TAT:** When a complaint is received, the Company will acknowledge it (especially if not resolved within 24-48 hours) and begin an investigation. We aim to resolve all routine complaints within **7 working days**. Some queries, which may require retrieval of documents or detailed investigation (for example, a complex dispute on interest calculation), might take longer – in such cases, we will communicate an expected timeline to the customer. **Each complaint is unique**, but the **maximum time for resolution** shall not exceed **30 days (one month)** from the date of receipt of the complaint. This is in line with regulatory expectations that complaints should be resolved within one month.

During resolution, we may contact the customer for further details or provide interim updates. Our team will analyse the cause of the problem and strive for a fair solution – whether it is correcting an error, clarifying a misunderstanding, or in some cases making a goodwill adjustment if the Company was at fault.

**4. Escalation:** If a customer is not satisfied with the response provided by the initial level of customer support or if the complaint is not resolved within the promised timeframe, they can **escalate the grievance to the Grievance Redressal Officer (GRO)** of the Company. The GRO will review the matter afresh and provide a final resolution or clarification.

**5. Appeal to Regulator/Ombudsman:** In the unlikely event that the complaint is not resolved to the customer's satisfaction **within one month**, the customer **has the right to escalate the issue to the Reserve Bank of India (RBI)** – specifically, to the Officer-in-Charge of the Regional Office of the Department of Non-Banking Supervision (DNBS) of RBI, under whose jurisdiction R2P Capital's registered office falls. The Company will include the contact details (address, phone, email) of the RBI's regional office in the communication/response to the customer when sending the final response or when the 30-day timeline is breached. This information is also displayed along with the GRO contact at our offices. Additionally, customers can approach the RBI's Integrated Ombudsman Scheme (if the Company falls under its ambit, typically NBFCs with asset size  $\geq$  ₹100 crore) for redressal. We will provide guidance on how to approach the Ombudsman if applicable.

**6. Record-keeping and Review:** All complaints and their resolution status are recorded in a Grievance Register or system. The nature of complaints and turnaround times are monitored. **Periodic reports are submitted to the Board of Directors** (or a Board-appointed committee) reviewing how many grievances were received, resolved, pending, and the general nature of issues. This helps the Board ensure that the Fair Practices Code is effectively implemented and customer issues are being handled properly. The Board also reviews if recurrent issues point to any systemic fixes needed.

**7. Customer Awareness:** The Company includes in its loan documents and welcome kit information on how a customer can make a complaint (contact channels). By making the process convenient and well-known, we encourage customers to come forward with feedback, which in turn helps us improve services.

In summary, the grievance redressal mechanism ensures that customers have a clear and accessible way to voice their concerns, and that the Company addresses those concerns in a time-bound and fair manner. We see complaints as opportunities to improve our service and trust with our customers.

### **Board Oversight and Policy Review**

The Board of Directors of R2P Capital holds the ultimate responsibility for ensuring implementation of this Fair Practices Code and loan policy. Key aspects of Board oversight include:

- **Approval and Updates:** This policy (General Terms & Conditions of Loans & FPC) has been reviewed and approved by the Board. Any material changes or updates to the policy will also require Board approval. The policy will be reviewed at least annually, or **earlier if required** to incorporate new regulatory guidelines or operational insights. The Board may delegate the detailed review to a committee, but significant changes will be approved by the full Board.
- **Grievance Redressal Oversight:** The Board has laid down the framework for the grievance redressal mechanism and will ensure it is functioning effectively. All disputes between customers and the Company's staff are monitored to ensure they are resolved at least at the next higher level of authority. A **periodic review (at least quarterly)** of the implementation of the Fair Practices Code and status of customer grievances is placed before the Board or a committee of the Board. The Board reviews these reports to check compliance and to direct any corrective measures as needed. A consolidated report on such reviews is part of the Board's agenda at regular intervals.
- **Regulatory Compliance:** The Board ensures that the Company is in compliance with all relevant RBI Directions (including the Master Directions for NBFCs, the SBR framework provisions applicable to Base Layer NBFCs, etc.). For instance, the Board monitors capital adequacy, asset quality (NPA recognition norms), provisioning, concentration norms, etc., applicable to the Company under the SBR Prudential Framework. Any new RBI guideline (such as the April 2024 KFS requirement, or any new customer protection measure) is taken up by the Board for incorporation into company policy.
- **Interest Rate Model:** The Board has approved the interest rate model and risk gradation approach, as mentioned earlier. It also oversees that **excessive interest** is not charged by reviewing interest rate ranges and outlier cases. The Board-mandated internal principles for determining interest and charges ensure transparency and fairness.
- **Audit and Compliance Function:** The Board uses internal audit or compliance departments to periodically verify that the Fair Practices Code implementation is adequate. For example, audits may check that sanction letters are properly detailing terms, that KFS is being given and explained to customers, that no complaints about harassment are received, etc. Any audit findings are reported to the Board.

Ultimately, the Board is accountable to ensure that the spirit of the RBI's Fair Practices Code is embedded in the Company's culture. The **tone from the top** is that of zero tolerance for unfair practices. The Board's periodic reviews and guidance help in continuously aligning the Company's processes with the best practices in customer fairness and regulatory compliance.

## Annexures

### Annexure 1: Key Facts Statement (KFS) – Standard Format (Sample)

As per RBI’s circular, the Key Facts Statement for loans is provided in a **standardized two-part format**. Below is a summary of the items included in a KFS for a Business Loan (this will appear as a **summary box** in loan documents):

#### Part 1: Key Loan Terms (Financial Information)

1.	Loan Application form date	The date of Loan Application
2.	Account Number	Unique reference number for the loan application/account
3.	Sanction letter No, date and Validity	Sanction letter No, date and Validity
4.	Sanctioned Loan Amount, INR	₹[XXXX] (the principal amount approved for disbursement).
5.	Type of Loan	e.g. Business Loan (Term Loan / Working Capital, etc.).
6.	Purpose of the Loan	[e.g., “Working Capital for [Business Name]” or “Purchase of machinery”]
7.	Loan Tenure	[X] years/months (the duration of the loan)
8.	Interest Rate	[X] % per annum. (Specify Fixed or Floating or Hybrid).  If Floating/Hybrid: Reference Benchmark (e.g., 1-year Treasury Bill rate) = Y%, applicable spread = Z%, and accordingly the floating interest rate = X% (being the sum of the Benchmark Rate of Y% plus the spread of Z%). The interest rate shall be subject to reset at the agreed frequency (e.g., quarterly), and any change in the benchmark rate shall result in a corresponding change in the effective interest rate, which may affect the installment amount and/or the loan tenure, as applicable.
9.	Repayment Instalments	[Type of instalment: EMI/Monthly/Quarterly], Number of instalments, Amount of each instalment (₹[EMI]) and commencement date of repayment. (Example: “EMIs of ₹50,000 each, payable monthly, 24 in total, starting 1 month after disbursement”).
10.	Payment Due Date	(e.g., 5th of every month)
11.	Moratorium (if any)	[If applicable, e.g., “1 month interest-only period; first EMI starts from ...”, otherwise “None”].
12.	Processing Fee	₹[Amount] + GST. (Deducted from the loan disbursement)
13.	Other Charges: – Documentation / Stamp Charges - Late Payment Penalty	<ul style="list-style-type: none"> <li>• Documentation/Stamp Duty: ₹[Amount] (payable upfront/by borrower).</li> <li>• [Any other applicable fee].</li> <li>• Late Payment Penalty: Penal interest @ [e.g., 3% per month] on any overdue amount, from due date till payment.</li> <li>• Cheque bounce charge: ₹[Amount] per bounce (plus applicable taxes).</li> <li>• Foreclosure charge: [e.g., “Nil after 6 months” or “2% of principal outstanding if closed within first year”, etc., as per policy]. Prepayment of the loan is [permitted/not permitted] [with/without] charges as per the enclosed schedule.</li> </ul>

14.	Annual Percentage Rate	[●]% per annum, calculated as per RBI guidelines, including interest and applicable fees. This reflects the total cost of the loan per year, expressed as a percentage of the principal amount.
15.	Security: Unsecured / or specify security, if any	[Secured/Unsecured]. If secured, describe collateral: e.g., “Hypothecation of stocks and receivables of the business” or “Mortgage of property at [address]/ details of asset” or “Personal guarantee of [Name]”. Appropriate legal documentation to create the charge will be executed
16.	Insurance	[If any insurance is required: e.g., “You shall insure the hypothecated assets against fire and other perils, and assign the policy to the Company” or “Insurance of key person is required, premium of ₹X (included in loan/paid by borrower)”]
17.	Special Conditions / Additional Information / Remarks	[Any other covenants or conditions, e.g., “Maintain DSRA of 1 EMI at all times” or “Submit annual financial statements during loan tenure”]
18.	Disbursement	[the Company shall disburse the sanctioned loan amount to the Borrower in accordance with the terms of the Sanction Letter and the Loan Agreement]

## **Part 2: Other Important Information (Qualitative)**

- **Recovery Mechanism Clause:** If the loan account becomes overdue beyond 15 days, the lender may engage recovery agents to assist in collection efforts, in accordance with the recovery clause of the agreement.”
- **Grievance Redressal Mechanism:** For any complaints, please contact our Grievance Redressal Officer at +91 9319499344 or [gro@r2pcapital.com](mailto:gro@r2pcapital.com). If the complaint is not resolved within **30 days**, customers may approach the RBI DNBS office for further escalation.
- **Possible Loan Transfers or Securitization:** The loan agreement may be assigned or transferred by the lender to another RBI-regulated entity, with prior intimation to the borrower. Such transfer will not alter the terms of the loan for the borrower.

**Confirmation:** At the end of the KFS, there will be an acknowledgment for the borrower to sign (or electronically consent) confirming: *“I have received, read and understood the Key Facts Statement before signing the loan agreement.”* This ensures the borrower is fully aware of the key terms.

## **Annexure 2: Sample Loan Sanction Letter / MITC Template**

Below is an outline of a **Loan Sanction Letter** cum **Most Important Terms and Conditions (MITC)** that R2P Capital would issue to a borrower upon loan approval:

*(On Company Letterhead)*

**Date:** [Date of Sanction]

**Sanction Letter No.:** [Reference Number]

**To,**

[Borrower's Name]

[Business Name, if any]

[Address]

Dear [Mr./Ms. Borrower Name],

**Subject:** Sanction Letter for Business Loan Account No. XXXX1234

We are pleased to inform you that your application for a Business Loan has been **approved** as per the following terms and conditions:

1.	Loan Application form date	The date of Loan Application
2.	Account Number	Unique reference number for the loan application/account
3.	Sanctioned Loan Amount, INR	₹[XXXX] (the principal amount approved for disbursement).
4.	Type of Loan	e.g. Business Loan (Term Loan / Working Capital, etc.).
5.	Purpose of the Loan	[e.g., "Working Capital for [Business Name]" or "Purchase of machinery"]
6.	Loan Tenure	[X] years/months (the duration of the loan)
7.	Interest Rate	[X] % per annum. (Specify Fixed or Floating or Hybrid).  If Floating/Hybrid: Reference Benchmark (e.g., 1-year Treasury Bill rate) = Y%, applicable spread = Z%, and accordingly the floating interest rate = X% (being the sum of the Benchmark Rate of Y% plus the spread of Z%). The interest rate shall be subject to reset at the agreed frequency (e.g., quarterly), and any change in the benchmark rate shall result in a corresponding change in the effective interest rate, which may affect the installment amount and/or the loan tenure, as applicable.
8.	Repayment Instalments	[Type of instalment: EMI/Monthly/Quarterly], Number of instalments, Amount of each instalment (₹[EMI]) and commencement date of repayment. (Example: "EMIs of ₹50,000 each, payable monthly, 24 in total, starting 1 month after disbursement").
9.	Payment Due Date	(e.g., 5th of every month)
10.	Moratorium (if any)	[If applicable, e.g., "1 month interest-only period; first EMI starts from ...", otherwise "None"].
11.	Processing Fee	₹[Amount] + GST. (Deducted from the loan disbursement)
12.	Other Charges: – Documentation / Stamp Charges - Late Payment Penalty	<ul style="list-style-type: none"> <li>• Documentation/Stamp Duty: ₹[Amount] (payable upfront/by borrower).</li> <li>• [Any other applicable fee].</li> </ul>

		<ul style="list-style-type: none"> <li>• Late Payment Penalty: Penal interest @ [e.g., 3% per month] on any overdue amount, from due date till payment.</li> <li>• Cheque bounce charge: ₹[Amount] per bounce (plus applicable taxes).</li> <li>• Foreclosure charge: [e.g., “Nil after 6 months” or “2% of principal outstanding if closed within first year”, etc., as per policy]. Prepayment of the loan is [permitted/not permitted] [with/without] charges as per the enclosed schedule.</li> </ul>
13.	Annual Percentage Rate	[●]% per annum, calculated as per RBI guidelines, including interest and applicable fees. This reflects the total cost of the loan per year, expressed as a percentage of the principal amount.
14.	Security: Unsecured / or specify security, if any	[Secured/Unsecured]. If secured, describe collateral: e.g., “Hypothecation of stocks and receivables of the business” or “Mortgage of property at [address]/ details of asset” or “Personal guarantee of [Name]”. Appropriate legal documentation to create the charge will be executed
15.	Insurance	[If any insurance is required: e.g., “You shall insure the hypothecated assets against fire and other perils, and assign the policy to the Company” or “Insurance of key person is required, premium of ₹X (included in loan/paid by borrower)”]
16.	Special Conditions / Additional Information / Remarks	[Any other covenants or conditions, e.g., “Maintain DSRA of 1 EMI at all times” or “Submit annual financial statements during loan tenure”]
17.	Disbursement	[the Company shall disburse the sanctioned loan amount to the Borrower in accordance with the terms of the Sanction Letter and the Loan Agreement]
18.	Validity	This sanction is valid for [X] days from the date of this letter. Please signify your acceptance by signing and returning the duplicate of this letter (or by confirming via email, as applicable) within this period. Post expiration, terms may be revised
19.	Documentation	A detailed Loan Agreement and other legal documents (e.g., demand promissory note, guarantee deed, etc.) will be executed. Please note that the loan agreement will contain a detailed terms and conditions including, inter alia, provisions regarding events of default, rights on default (including recovery and security repossession clauses), and your and our respective duties and rights. By accepting this sanction, you acknowledge that you have understood the key terms. A copy of the executed loan agreement and all enclosures will be provided to you
20.	Grievance Redressal	For any queries or issues, you may contact our Customer Service at [phone/email]. In case of any complaint, you can reach our Grievance Redressal Officer [Name] at [phone/email]. If your complaint is not resolved within 30 days, you may escalate to the Reserve Bank of India – DNBS.

We thank you for choosing R2P Capital Private Limited for your business funding needs. We value your relationship and are committed to serving you fairly.

Please feel free to contact the undersigned for any clarifications.

**Yours**  
For **R2P Capital Pvt. Ltd.**

**sincerely,**

[Authorized  
[Designation]

Signatory

Name]

Contact: [Phone] / [Email]

**Borrower's Acceptance:** I, [Name], the borrower, accept the above terms and conditions and agree to comply with them. I also acknowledge receipt of the Key Facts Statement and confirm understanding of the same.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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*This sample format is for illustration; actual sanction letters may have additional standard clauses or annexures (such as the repayment schedule, MITC table, etc.), but will cover all the key points as above.*