CREDIT POLICY

Prepared by Legal & Compliance Team
SAMPATI SECURITIES LIMITED
2nd Floor, Mrudal Tower, B/h Times of India, Ashram Road, Ahmedabad, Gujarat, India, 380 009

CREDIT POLICY

This document demonstrates the Credit risk assessment & underwriting policies for their respective operations and a brief overview of the overall process practiced at **SAMPATI SECURITIES LIMITED** and followed by Credify Technologies Pvt. Ltd. (CREDITT+).

MISSION

The credit department defines the requirements for lending of instant personal loans for new and existing customers and maintaining credit lines and limits for active accounts and returning customers with appropriate payment terms. The credit department also strives to decide credibility, loan tenure, rate of interest, and loan amount to facilitate sales to customers with suboptimal credit histories.

GOALS

Each quarter, the credit department works with executive management to establish new goals for the coming quarter. These goals are based on many factors – including the company's credit policy, sales and financial requirements, competition, our desire to move into new markets, and the condition of the economy.

The credit department's main goal is to onboard a customer with the loan application origination process till the adjudication process. The credibility check and financial data verification of the applicant are executed by the credit department. The repayment and recovery of the lent amount are handled and executed by the collection department. Throughout the whole process, the tech system assists lending & collection by performing risk assessments on the data provided by the user.

The Tech system is created and managed by our LSP/DLA i.e. Credify Technologies Pvt. Ltd.

ROLES AND RESPONSIBILITIES

Chief Risk Officer: The Chief Risk Officer has overall credit and collections responsibility for the credit department. Builds business logic, credit risk algorithms for assessments and handles the risk aspect of the business overall.

Operations Head: The Operations Head has to manage all the resources that are allocated to the lending process and department. Sets rules, strategies, and approaches to achieve the goals set by the management and reports directly to CRO and management board.

Collections Head: The Collections Head has to manage all the resources that are allocated to the recovery process and collection department. Sets strategies and approaches to recover the lent amount that is yet to be collected and reports directly to CRO and management board

Accounts Receivable: This position/team coordinates with the Operations & Collections Heads and is responsible for daily accounts receivable activity, including invoicing and cash posting. Reports to management board when needed.

Legal Head: The Legal Head is responsible for all the legal activities of the organization including sending notices to defaulting customers, taking legal action against them, and building legal policies/documents for the company.

Lending Team Lead: The Lending Team Leads are responsible for managing the credit evaluation, review, and approval process, as well as managing overall risk to the portfolio. Only Team Leads and Operations Head are authorized to issue communications with customers concerning credit-related issues. Report directly to Operations Head.

Credit Analyst: The Credit Analysts are responsible for checking the credibility of a loan applicant and going through the applicant's financial data and evaluating the same. Report to their Team Lead.

Tele Callers: Tele-callers are responsible for customer support, assisting them throughout the process, and resolving their queries to get disbursement. Report to their Team Lead.

CREDIT EVALUATION POLICY

The credit department establishes and maintains credit lines and payment terms for all new and existing customers. Creditworthiness is determined via credit risk assessments (aided by AI/ML-based algorithm) on the customer's employment, background, location, & financial information.

Our company uses credit scorecards to determine creditworthiness and credit line assignment strategies. The credit department evaluates the scorecard result alongside other information provided in the online credit application and will determine if the customer has the ability and willingness to pay at the required.

Appropriate credit limits will be set in the absence of any red flags, such as customer's inability to pay, salary < Rs. 25000, CIBIL score as per our prescribed limits or a documented case of fraud.

SAMPATI SECURITIES LIMITED

Regd. Office: 2nd Floor, Mrudul Tower, B/h. Times of India, Ashram Road, Ahmedabad - 380 009, Gujarat, INDIA.
Tel.: +91-79-66614508 E-mail: finance@sampati.co.in
CIN : U67120GJ1995PLC024926

PARAMETERS FOR SANCTIONING LOAN:

AADHAR	Aadhaar must be linked to the provided mobile number for OTP verification. The entered Aadhaar details will be confirmed using the OTP sent to the designated mobile number We capture only the last four (4) digit of the Aadhaar number. Aadhaar number is unique for each individual that is why only the last four digits are captured.
PAN CARD	Pan card holder name matched with Aadhaar
Black Listed	Customer not in black list. Following are blacklist criteria
	1) Customer in our unpaid Bucket
	2) Loan repaid but repaid after 7 days of due date
Cool Off Customer	Customer not in cool off period . Cool period is given to customer if repayment is done more than 2 day after due day but before 7 days . Cool off period is equal to no of days of delay in repayment (between 2-7 days)
	Manual Cool off may be given if customer salary does not meet criteria due to new job or partial salary receipt
Salaried Individual	Only salaried individuals are given a loan and is verified in the Work email/salary slip verification and Bank statement verification

ROLLOVER

SR NO.	ROLLOVER
1	We are not providing any Rollover facility to the Borrower.

LOAN VERIFICATION

	Work Email / salary slip verification
Work Email	OTP Is sent to work email provided . On verification of OTP the following occurs
	1) Auto approved by the system if work email contains a combination of name , name surname , initials, name initial full surname , name initial surname full and domain which is previously manually verified.
	2) Manual verification : Domain is verified, work email belongs to person and not generic like info/ sales/ ho / accounts is verified
Salary Slip	**New customers** :- the provided salary slip should pertain to the most recent month,
	Repeat customers:- Either the latest or previous month's salary slip is required OR If any of them not available; bank statement showing the history of the latest month's salary credits is required.

FOLLOWED BY creditt+

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CIBIL

CIBIL	A minimum CIBIL score of 721 is considered healthy. If the score is lower, we have to review the credit report for overdue payments.

CHEQUE BOUNCES/RETURN CHARGES

Cheque Bounces/Return charges	**New** - Return charges not more than 4
	Repeat Customer :- For Repeat customers with more than four cheque bounces, the loan application can still be processed given the following conditions are met: 1) A salary exceeding Rs. 50,000/-. 2) A minimum CIBIL score of 721. 3) Maintenance of the required account balance.

SCORING TO EVALUATE RISK PROFILE

For customers, the system divides risk assessment in 3 main parts.

1. **Score from employment and user background**

Employment details we consider for scoring	*Employment Sector, Occupation Details, Company Name, Company Address, Company Contact Number, Employment Type, Employed Since When, Monthly Salary.*
Basic user details we consider for scoring	*Residential Status, Purpose of the Loan, Location.*

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2. Score from financial data & bank statement analysis

Parameters we consider for scoring from financial data & bank statement and/or net banking data	*Opening Balance, Closing Balance, Minimum Average Balance, Maximum Average Balance, Average Balance, Inflow Count, Total Inflow Amount, Outflow Count, Total Outflow Amount, Cash Withdrawal Count, Total Cash Withdrawal Amount, Cheque Received Count, Total Cheque Received Amount, Cheque Issue Count, Total Cheque Issue Amount, Number of Salaries, Total Salary Amount, Average Salary Amount, Actual vs. User Entered Salary, Income vs. Expenditure, Cash Deposit Count, Total Cash Deposit Amount, Bounced Count, Total Bounced Amount, Loan/EMI Payment Count, Total Loan/EMI Payment Amount, Penalty Count, Total Penalty Amount, Bank Charges Count, Total Bank Charges Amount, Total Investment*

3. Score from ML risk assessment algorithm

Parameters ML algorithm considers to generate score and predict to approve or decline the loan	*Applied Loan Amount, Loan Interest, Validated Salary, App Platform, Contact Count, Age, Loan App Count, Bounced Cheque Amount, Total Amount Inflow, Cash Deposit Amount, Total Amount Outflow, Withdrawal Amount, Loan Payment Amount, Bank Charges Amount, Penalty Charges Amount, Closing Balance, Opening Balance, Investment Amount, Total Salary.*

Based on all three scoring systems we generate a '**Credit Risk Score**' of a user which we show them, for the customer to make an inform Loan decision (loan amount, loan tenure, rate of interest, processing fees)

Acknowledgement for non-approval/Rejection of Loan:

Acknowledgement in case of Non-approval/Rejection of Loan applications. Acknowledgement that You are not eligible and we are declining your Loan.

We provide notification to borrowers regarding Approval/Rejection of Loan Application.

CREDIT REVIEW POLICY

For existing customers, the credit department reviews credit limits as needed. All limits may be subject to change based on changes in customer creditworthiness and historical performance with similar person. In the cases where appropriate documentation is missing, address details are not validated, employer details are missing. These cases are then referred to the credit department for detailed verification. If satisfactory arrangements can't be made, the account is then placed on credit hold and the application will be marked on hold or cancelled.

TERMS OF SALE POLICY

Terms of sale are determined based on current sales programs and promotions. The credit department works closely with sales Department to institute and modify appropriate terms that maximize sales outcomes.

Advance payment discounts may be used to close the new business if needed. The standard loan tenure may vary between 7 to 45 days based on the salary date of the applicant. As the payment due date is set the very next day of the borrower's salary date.

Terms for loan applications already disbursed cannot be altered or modified without approval from the credit department. Any changes from standard payment terms require a variance request form.

INTEREST RATE CALCULATION

SR NO.	INTEREST RATE CALCULATION
	Interest Rate is calculated based on the below parameters
1	Repeat/ regular / intermittent
2	No of past repayments
3	Repayment Status as of Due Date
4	Company Default Rate (any number of employees of the same firm who have applied and not repaid)
5	Salary amount

BAD DEBT POLICY

When a severely delinquent account (90+ days past due) is not resolved with good faith effort of payment, the expense may be written off to bad debt. Our company's definition of bad debt is an uncollectible balance owed from a customer experiencing financial hardship. Non- paying accounts can be written off to bad debt only after the Customer demonstrate unwillingness/inability to fulfil his/her debt obligation repayment has not been secured after Three months (90 days).

Complaint Resolution:

Appointment of Grievance Redressal Officer (GRO)

The Board of Directors of the Company have appointed a Grievance Redressal Officer (GRO), who shall be responsible for the overall functioning of the Grievance Redressal Mechanism of the Company. The Grievance Redressal Officer shall also be responsible for addressing grievances escalated to him/her and for ensuring prompt and efficient functioning of the grievance redressal mechanism.

Grievance Redressal Mechanism:
Borrowers are requested to address all their grievances at first instance to Grievance Redressal Officer.

Grievance Redressal Officer:
Ms. Meshvi Gupta
Address: 2nd Floor, Mrudul Tower, behind Times of India, Ashram Road, Ahmedabad – 380 009
Contact: 91-79-66614508
Email: grievance@sampati.co.in

The Grievance Redressal Officer may be reached on the number provided above anytime between 10:00 AM and 7:00 PM, from Monday to Friday (except public holidays), and between 10:00 AM and 4:00 PM, on 2nd and 4th Saturday (except public holidays), or through the email address mentioned above. The Grievance Redressal Officer shall endeavor to resolve the grievance within a period of 14 (fourteen) days from the date of receipt of the grievance.

Nodal Officer

If the Borrower does not receive a response from the Grievance Redressal Officer within 14 (fourteen) days of making a representation, or if the Borrower is not satisfied with the response received from the Grievance Redressal Officer, the Borrower may reach the Nodal Officer on the number below anytime between 10:00 AM and 7:00 PM, from Monday to Friday (except public holidays), and between 10:00 AM and 4:00 PM, on 2nd and 4th Saturday (except public holidays), or through the email address mentioned above or write to the Nodal Officer at the e-mail address below.

Mr. Kunal Trivedi
Address: 2nd Floor, Mrudul Tower, behind Times of India, Ashram Road, Ahmedabad
Contact: 9974530000
Email: nodalofficer@sampati.co.in

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Credify Technologies Private Limited (CREDITT+)

Customers may raise their concerns pertaining to the Platform, Facility Type, Fee, and/or any other charges, or any other concern related to the product, to the authorised representatives of the Company as detailed below, at anytime between 10:00 to 19:00 on Monday to Friday (except public holidays)

Grievance Redressal Officer:
Mr. Devansh Gala
205, Embassy Centre, Mumbai
Contact: 08097452970
Email ID: grievance@creditt.in

Training and Development:

- Regular training to employees involved in the lending process to ensure consistent implementation of the credit policy.

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