

SABRIMALA FINTECH PRIVATE LIMITED

CIN: U65929DL2017PTC313170

[A Base Layer - Non-Deposit Taking NBFC - Regulated by the Reserve Bank of India]

Extract of Risk Management Policy

1. Introduction and Objective

Sabrimala Fintech Private Limited (“the Company”), CIN U65929DL2017PTC313170, is registered with the Reserve Bank of India (“RBI”) as a non-deposit taking Non-Banking Financial Company – Investment and Credit Company, classified in the Base Layer (“NBFC-BL”). The Company extends four categories of credit: (i) Unsecured Business Loans to micro, small and medium enterprises (“SME Loans”); (ii) Gold Loans secured by pledge of gold ornaments and jewellery; (iii) Loans against Property (“LAP”) secured by mortgage of residential or commercial immovable property; and (iv) Unsecured loans to self-employed and informal-sector borrowers assessed without formal income proof (“Non-Income-Proof Loans” or “NIP Loans”).

Each of these products carries a distinct risk signature. LAP concentrates legal, valuation and enforcement risk; Gold Loans concentrate collateral-price, custody and assaying risk; SME and NIP Loans concentrate credit-assessment, fraud and collection risk. This Risk Management Policy (“the Policy”) establishes a single, Board-approved framework for identifying, measuring, monitoring, mitigating and reporting all material risks across these products and across the Company as a whole, and constitutes the Risk Management Committee that the RBI requires every NBFC to have.

The objectives of this Policy are to:

- comply with paragraph 9 of the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025, which requires the Company to constitute a Risk Management Committee responsible for evaluating the overall risks faced by the Company, including liquidity risk, and reporting to the Board;
- give effect to the Board-approved policy requirements of the Credit Risk Management, Concentration Risk Management and Asset Liability Management Directions issued by RBI for NBFCs;
- set risk appetite, exposure limits and early-warning triggers that are specific to the Company's four products; and
- define the ownership of each risk, the escalation path, and the frequency and content of risk reporting to the Risk Management Committee and the Board.

2. Regulatory Framework

This Policy is framed with reference to the consolidated Master Directions issued by the RBI for NBFCs on November 28, 2025 (as updated), and to the activity-based Directions listed below. The Compliance Officer shall verify the “Updated as on” date of each instrument on the RBI website before every annual review of this Policy.

RBI instrument	Relevance to this Policy
RBI (NBFC – Governance) Directions, 2025 (updated 24 Jun 2026) – para. 9	Mandatory constitution of a Risk Management Committee at Board or executive level; RMC evaluates overall risk including liquidity risk and reports to the Board
RBI (NBFC – Credit Risk Management) Directions, 2025 (updated 01 Jul 2026)	Board-approved credit risk policy; credit appraisal standards; Legal Entity Identifier for large borrowers; restrictions on lending; monitoring of stressed accounts
RBI (NBFC – Concentration Risk Management) Directions, 2025 (updated 25 Aug 2026) – Chapter II (Base Layer), para. 6	Comprehensive Board-approved concentration risk policy with single-borrower / group limits and sub-segment limits for consumer credit, particularly unsecured exposures
RBI (NBFC – Asset Liability Management) Directions, 2025 (updated 01 Jul 2026)	Liquidity risk management framework and structural liquidity monitoring, applied proportionately to a Base Layer NBFC
RBI (NBFC – Income Recognition, Asset Classification and Provisioning) Directions, 2025 (updated 01 Jul 2026)	SMA / NPA classification (90-day norm), provisioning; NBFC-BL sub-standard assets migrate to doubtful after 18 months as NPA

RBI instrument	Relevance to this Policy
RBI (Lending Against Gold and Silver Collateral) Directions, 2025 (issued 06 Jun 2025; compliance by 01 Apr 2026)	Tiered LTV ceilings (85% up to ₹2.5 lakh; 80% between ₹2.5–5 lakh; 75% above ₹5 lakh); 12-month cap on bullet-repayment consumption loans; standardised assaying; borrower presence at valuation; 7-working-day return of collateral; auction norms; per-borrower collateral caps
RBI (NBFC – Credit Facilities) Directions, 2025 and RBI (NBFC – Responsible Business Conduct) Directions, 2025 (updated 01 Jul 2026)	Loan documentation, Key Facts Statement, penal-charge rules, collection conduct — operational risk and conduct risk controls
RBI (NBFC – Managing Risks in Outsourcing) Directions, 2025	Outsourcing risk for valuers, assayers, collection agents, DSAs and technology vendors
RBI (NBFC – Know Your Customer) Directions, 2025 (updated 29 Dec 2025)	KYC / AML risk, including enhanced scrutiny of gold collateral ownership
RBI (NBFC – Cybersecurity, Technology: Risk, Resilience and Assurance Framework) Directions, 2026 (Department of Supervision, 31 Jul 2026)	Technology and cyber risk, applied to the layer-specific chapter for Base Layer NBFCs
RBI Master Directions on Fraud Risk Management in NBFCs (July 2024, as superseded / reissued by the Department of Supervision 2026 series)	Fraud risk management framework; the Board notes that the mandatory scope of the fraud directions is presently confined to NBFCs-BL with asset size of ₹500 crore and above, and adopts the framework proportionately

Note:

The Scale Based Regulation Master Direction of October 2023 stands repealed with effect from November 28, 2025 and is not relied upon in this Policy. The 90-day NPA norm applies to the Company in full with effect from March 31, 2026 under the completed SBR glide path.

3. Risk Governance Structure

The Company adopts a three-lines model, scaled to its size:

Line	Who	Role
First line – Risk owners	Branch and regional business teams; Credit Head / Chief Operating Officer; Gold Loan operations; Collections	Originate, appraise and manage exposures within approved limits; execute controls; raise early-warning flags
Second line – Risk oversight	Risk Function (headed by the officer designated as Head – Risk, see Section 4); Compliance Officer; MIS	Design and monitor limits, models and triggers; independent review of credit, collateral and liquidity risk; prepare the RMC risk dashboard
Third line – Assurance	Internal Audit (Senior Manager – Internal Audit); Statutory Auditor	Independent testing of the design and effectiveness of the risk framework; reporting to the RMC and the Board
Oversight	Risk Management Committee; Board of Directors	Approve risk appetite and this Policy; review the risk profile at least quarterly; direct corrective action

4. Risk Function and Head – Risk

A Chief Risk Officer is mandated under paragraph 19 of the Governance Directions only for NBFCs with an asset size exceeding ₹5,000 crore, and is not required for the Company. The Board has nonetheless designated an officer as Head – Risk [Mr. Rupak Dassarma / Head- Operation], reporting functionally to the Risk Management Committee and administratively to the Managing Director. The Head – Risk shall not carry business targets, shall have unrestricted access to credit files, collateral records and MIS, and shall attend every meeting of the RMC. Until a dedicated appointment is made, the Board may designate the Chief Operating Officer or another senior officer to discharge this role on an interim basis, provided the RMC records the arrangement and reviews it at each meeting.

5. Risk Management Committee — Charter

5.1 Constitution

In compliance with paragraph 9 of the Governance Directions, the Board hereby constitutes a Risk Management Committee (“RMC”) at the Board level. The Company has consciously chosen a Board-level committee (rather than the executive-level alternative permitted for an NBFC-BL) so that the directors with banking, regulatory, financial and legal experience directly oversee the risks inherent in secured lending against property and gold and in unsecured lending to SMEs and informal-sector borrowers.

5.2 Composition

The RMC shall consist of not less than three members, of whom a majority shall be non-executive directors. The Chairperson of the RMC shall be a non-executive director having experience in banking, NBFC operations or risk management. The initial composition is as follows:

Member	DIN	Board designation	RMC role	Basis of inclusion
Mr. Prakash Chandra Sahoo	07613123	Non-Executive Director	Chairperson	A former Regional Director from RBI having experiences in Department of Non-Banking Supervision and Risk Monitoring Department experience.
Mr. Arun Dash	07972670	Non-Executive Director	Member	A Chartered Accountant (FCA) having vast knowledge on treasury, financial controls and risk management background.
Mr. Jayeshkumar Shankarji Solanki	10821641	Non-Executive (Additional Director)	Member	Ex-Banker having the decades of experience in Banking as well as BFSI sector in Retail Banking, microfinance operations and portfolio-quality experience relevant to NIP and SME lending.
Mr. Ashish Kumar Dash	07565098	Managing Director	Member	Ex-Banker having the decades of experience in Retail Banking, Branch Business, Gold Loan and MSME Lending Business, Treasury Management.

The following shall be permanent invitees to every meeting, without voting rights: the Directors Dr. Ajit Kumar Sabat; Mr. Ashutosh Mishra; Mr. Murugan Govindaraj - Additional Director and the Head – Operation, Credit, the Compliance Officer; and the Senior Manager – Internal Audit. The Company Secretary, or in the absence of a Company Secretary the Compliance Officer, shall act as Secretary to the RMC. The membership of Mr. Jayeshkumar Shankarji Solanki shall stand confirmed upon regularisation of his appointment as a director at the next Annual General Meeting; until then he shall participate as a member with voting rights in his capacity as Additional Director.

5.3 Frequency of Meetings

The RMC shall meet at least once in every calendar quarter, such that, not fewer than four meetings are held in each financial year, and the interval between two consecutive meetings shall not exceed 120 days. The Chairperson may convene additional meetings at any time, and shall do so within 15 days of any of the following events: (a) a breach of any Board-approved limit in Annexure I; (b) a single fraud or suspected fraud involving ₹10 lakh or more; (c) a movement of more than 10 per cent in the gold price benchmark within any 30-day period; (d) any RBI inspection observation, direction or penalty relating to risk; or (e) any event that in the opinion of the Head – Risk or the Managing Director materially alters the Company's risk profile.

5.4 Quorum and Conduct

The quorum for a meeting of the Risk Management Committee (“RMC”) shall be two members or one-third of the total strength of the Committee, whichever is higher, provided that at least one member present shall be a Non-Executive Director. Meetings of the RMC may be conducted physically or through permitted audio-visual electronic means, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder. The agenda papers and supporting documents, including the Risk Dashboard, shall ordinarily be circulated to the members at least 5 (five) working days prior to the meeting. However, in cases of urgency or exigencies, the Chairperson may permit a shorter notice period, subject to applicable legal and regulatory requirements. The proceedings of every RMC meeting shall be recorded in the minutes by the Secretary of the Committee. The minutes shall be submitted to the Chairperson for approval and, upon approval, shall be circulated to all members of the Board within 15 (fifteen) days of the meeting.

5.5 Mandate and Responsibilities

The RMC shall be responsible to the Board for the following:

1. Evaluating the overall risks faced by the Company, including credit, concentration, collateral, liquidity, interest-rate, operational, fraud, technology, outsourcing, compliance, conduct and reputational risk, and reporting to the Board on the Company's overall risk profile after every meeting.
2. Recommending to the Board the risk appetite statement and the quantitative limits in Annexure I, reviewing them at least annually, and approving any interim change within the tolerances delegated by the Board.
3. Reviewing quarterly product-wise portfolio quality: SMA-0/1/2 and NPA movements, provisioning, restructured accounts, write-offs, vintage delinquency and collection efficiency, for SME Loans, Gold, LAP, and NIP portfolios separately.
4. Overseeing liquidity risk through the structural liquidity statement, the maturity profile of borrowings, undrawn sanctioned lines, and the liquidity contingency plan.
5. Reviewing gold-collateral risk: portfolio LTV distribution against the tiered ceilings, gold-price sensitivity, assaying exceptions, custody audit results, overdue and auction pipeline, and compliance with the RBI (Lending Against Gold and Silver Collateral) Directions, 2025.
6. Reviewing LAP collateral risk: valuation exceptions, legal-title exceptions, unregistered or defective mortgages, SARFAESI / enforcement pipeline and realisation experience.
7. Overseeing the early-warning-signal framework and fraud risk management, including review of all frauds and attempted frauds, root cause and staff accountability, and reporting to RBI where required.
8. Reviewing the outsourcing risk register covering valuers, assayers, DSAs, collection agencies and technology vendors, and the outcome of due diligence and periodic review.
9. Reviewing technology and cyber risk, including the findings of the Information Systems audit and incident reports.
10. Reviewing compliance risk: RBI return filing status, inspection observations and closure, and penalties or show-cause notices.
11. Reviewing internal audit observations relating to risk and the status of corrective action.

12. Reviewing the adequacy and independence of the Risk Function and the resourcing of the Head – Risk, and meeting the Head – Risk without the presence of executive management at least once a year.
13. Reviewing capital adequacy (CRAR and Tier I) against the regulatory minimum and the Board's internal buffer, and stress-testing capital under adverse scenarios.
14. Reviewing any new product, geography or channel proposal from a risk perspective before it is placed before the Board.
15. Reporting to the Board, after each meeting, a summary of matters reviewed, breaches, actions directed and open items.

5.6 Authority

The RMC is authorised to call for any information from any officer of the Company, to obtain external professional advice at the Company's cost, to direct suspension of a product, branch or channel pending remediation of a risk concern, and to require the Managing Director to present a remediation plan within a stated period. Matters requiring a change to Board-approved policy or limits beyond delegated tolerances shall be recommended to the Board.

5.7 Annual Self-Evaluation

The RMC shall evaluate its own performance and the adequacy of this Charter once a year and report its conclusions to the Board along with any recommended changes.

6. Risk Appetite Statement

The Board's risk appetite is moderate. The Company will grow its secured portfolios (Gold and LAP) as the anchor of its balance sheet, will extend unsecured SME and NIP credit only within defined sub-limits, will maintain a capital buffer above the regulatory minimum, and will not accept risks that could impair its ability to meet obligations to lenders or to comply with RBI directions. The quantitative expression of this appetite is set out in Annexure I. Any breach of an Annexure I limit shall be reported to the Head – Risk on the day it is identified, to the Chairperson of the RMC within two working days, and to the RMC and the Board at their next meetings, together with a remediation plan.

7. Credit Risk

7.1 General Principles

- Every credit decision shall be taken by a sanctioning authority under a Board-approved delegation matrix, with a maker-checker separation between origination and sanction.
- Every borrower shall be assessed for identity, capacity, character and collateral, with a credit bureau report obtained for every applicant and co-applicant and reported back to the credit information companies at the prescribed frequency.
- Loans to directors, their relatives, senior officers and related entities shall be governed by the Company's Board-approved policy on such loans and reported to the RMC quarterly.
- A Legal Entity Identifier shall be obtained from every non-individual borrower whose aggregate exposure meets the threshold prescribed in the Credit Risk Management Directions, before any new exposure is sanctioned.
- Restructuring, settlement and write-off shall follow the Company's Board-approved framework and be reported to the RMC with rationale.

7.2 Loan against Property

- Eligible security: self-occupied or rented residential or commercial property with clear, marketable title, located within the Company's approved geographies. Agricultural land, disputed property and property under acquisition are ineligible.
- Loan-to-value shall not exceed the ceilings in Annexure I, computed on the lower of two valuations for exposures above the threshold stated therein, by valuers on the Company's approved panel.
- Title shall be certified by an empanelled advocate covering a minimum 30-year chain; the mortgage shall be registered or, where equitable, created with a memorandum of deposit and CERSAI filing within the statutory time.
- Repayment capacity shall be assessed on documented or assessed cash flows with a fixed-obligation-to-income ratio not exceeding the Annexure I ceiling; end-use shall be recorded and monitored.
- Property insurance with the Company as loss payee shall be obtained for the tenure of the loan. Valuation shall be refreshed for every account that becomes SMA-2 or is restructured.

7.3 Gold Loan

- Eligible collateral: gold ornaments and jewellery of 18 to 22 carat purity. Bullion, primary gold and gold ETFs are ineligible. Coins are ineligible unless of the kind and within the limits permitted by the RBI Directions.
- LTV shall be maintained within the tiered ceilings prescribed by the RBI (Lending Against Gold and Silver Collateral) Directions, 2025 — 85 per cent for aggregate loans up to ₹2.5 lakh, 80 per cent above ₹2.5 lakh up to ₹5 lakh, and 75 per cent above ₹5 lakh — computed for bullet-repayment loans on the total amount repayable at maturity (principal plus accrued interest), and monitored throughout the tenure.
- Bullet-repayment loans shall not exceed a tenure of 12 months. Renewal shall be treated as a fresh sanction with fresh valuation and fresh KYC verification.
- Valuation shall be by a trained assayer using the Company's standardised assaying procedure, in the borrower's presence, with the gross and net weight, purity, deductions for stones, and the reference price recorded on the pledge form and in the system. The reference price shall be the lower of the 30-day average closing price and the previous day's closing price of 22-carat gold as published by the India Bullion and Jewellers Association, or such other benchmark as the RBI Directions prescribe.
- Proof of ownership, or a signed declaration of ownership where documentary proof is unavailable, shall be obtained. Frequent pledging or aggregate pledges approaching the per-borrower collateral caps (1 kg of gold ornaments; 50 grams of coins) shall trigger enhanced KYC review.
- Collateral shall be stored in dual-custody strong rooms or safes with joint access, insured against burglary, fire and transit, and subject to surprise verification of not less than 10 per cent of packets each quarter by a person independent of the branch, with 100 per cent verification annually.
- Collateral shall be returned within seven working days of full repayment; delay attracts compensation to the borrower at the rate prescribed by RBI. Auction of unredeemed collateral shall follow the notice, reserve-price, transparency and surplus-refund requirements of the RBI Directions and the Fair Practices Code.
- Cash disbursement shall not exceed the limit permitted under the Income-tax Act, 1961; all other disbursements shall be through banking channels.

7.4 Unsecured Business Loans to SMEs

- Eligible borrowers: proprietorships, partnerships, LLPs and companies with a minimum business vintage as per the Credit Policy, Udyam registration where available, and a satisfactory bureau track record.
- Assessment shall be on banking-statement cash-flow analysis, GST returns where available, and a field verification of business premises and activity. Turnover-based surrogate assessment shall be permitted only within the sub-limit in Annexure I.
- Exposure per borrower and per group shall not exceed the ceilings in Annexure I; the aggregate unsecured SME book shall be capped as a percentage of total assets under management.

- Repayment shall be through NACH or standing instruction; bounce and early-delinquency data shall feed the early-warning framework.

7.5 Non-Income-Proof Loans

- Eligible borrowers: self-employed individuals and micro-entrepreneurs, including women entrepreneurs and farmers, whose income cannot be documented through returns or salary slips.
- Income shall be assessed through a documented household cash-flow assessment conducted at the borrower's place of business or residence, cross-checked against observable indicators (stock, footfall, asset ownership, bank passbook where available) and against bureau data. Two officers shall independently sign off the assessment for exposures above the threshold in Annexure I.
- Ticket size, tenure and pricing shall be within the Annexure I bands. The aggregate NIP book shall be capped as a percentage of total assets under management and shall be the most tightly limited of the four products in recognition of its higher credit and fraud risk.
- Where the borrower's household income and indebtedness fall within the thresholds that would characterise the loan as a microfinance loan under the RBI (NBFC – Microfinance Institution) Directions, 2025, the Company shall apply the household-income assessment, repayment-to-income cap and pricing-disclosure requirements of those Directions to that loan, and shall monitor the share of such loans in its total assets so as not to inadvertently satisfy the qualifying-asset criteria of an NBFC-MFI.

8. Concentration Risk

In compliance with paragraph 6 of Chapter II of the RBI (NBFC – Concentration Risk Management) Directions, 2025, which applies to Base Layer NBFCs, the Board hereby adopts the following as its concentration risk management policy, with the numerical limits in Annexure I:

- single-borrower and single-group exposure ceilings, expressed as a percentage of Tier I capital and as absolute amounts;
- product-wise portfolio ceilings for LAP, Gold, SME and NIP as a percentage of total assets under management;
- a specific sub-limit for aggregate unsecured exposure (SME plus NIP), in recognition of the RBI's requirement that limits be set for unsecured consumer-credit sub-segments;
- geographic ceilings by state and by district / branch cluster, given the Company's concentration in Odisha and the National Capital Region;
- sectoral ceilings within the SME book; and
- a ceiling on exposure to a single collateral type (gold) as a percentage of total assets, with a linked gold-price stress trigger.

Limits shall be monitored monthly by the Risk Function and reported quarterly to the RMC. Any proposal that would breach a limit shall be declined unless the Board has approved a temporary tolerance in advance.

9. Liquidity, Interest-Rate and Capital Risk

- The Company shall prepare a structural liquidity statement in the time buckets prescribed by the RBI (NBFC – Asset Liability Management) Directions, 2025, at least quarterly, and shall maintain the cumulative negative mismatch in the short-term buckets within the Annexure I tolerance.
- The Company shall maintain a liquidity buffer of unencumbered cash, bank balances and undrawn committed lines equal to at least the Annexure I number of months of debt servicing and operating outflows, and shall hold a Board-approved contingency funding plan naming the officers authorised to invoke it.
- Borrowings shall be diversified across lenders and tenors; the share of any single lender in total borrowings shall not exceed the Annexure I ceiling.

- Interest-rate risk shall be measured through a rate-sensitivity gap statement and an earnings-at-risk computation for a 100 basis-point parallel shift, reviewed by the RMC quarterly.
- The Company shall maintain CRAR above the regulatory minimum with an internal buffer as per Annexure I, and the Head – Risk shall present a capital projection for the following four quarters at each RMC meeting.

10. Operational, Fraud, Technology and Outsourcing Risk

10.1 Operational Risk

Each department shall maintain a risk-and-control self-assessment identifying its key processes, inherent risks, controls and residual risk ratings, reviewed half-yearly by the Risk Function. Operational loss events above ₹1 lakh shall be logged in a loss-event register and reported to the RMC. Key operational controls include maker-checker on all disbursements and gold-packet movements, dual custody of gold and title documents, segregation between sanction and disbursement, and daily reconciliation of cash and collateral.

10.2 Fraud Risk and Early Warning Signals

The Company shall maintain a fraud risk management framework covering prevention, detection, investigation, staff accountability and reporting, proportionate to its size. An early-warning-signal framework shall flag, at a minimum: first-EMI bounce; multiple loans against the same property or gold packet; valuation or purity variance above tolerance on re-assay; borrower unreachable at recorded address; sudden change in bank-account behaviour; and adverse media. Suspected frauds shall be investigated by a team independent of the originating branch; confirmed frauds shall be classified, reported to the RMC and, where the RBI fraud reporting requirements apply to the Company, reported to RBI and law-enforcement agencies within the prescribed timelines, after affording the person concerned an opportunity to be heard.

10.3 Technology and Cyber Risk

The Company's loan-management, gold-valuation and MIS systems, and any digital lending application, shall be governed by a Board-approved information security policy aligned to the layer-specific requirements of the RBI (NBFC – Cybersecurity, Technology: Risk, Resilience and Assurance Framework) Directions, 2026. An Information Systems audit shall be conducted at the periodicity required by the Outsourcing Directions and its findings placed before the RMC and the Board. Cyber incidents shall be reported to RBI within the prescribed timeline.

10.4 Outsourcing Risk

Property valuers, title advocates, assayers, direct selling agents, collection and recovery agents and technology vendors are material service providers. Each shall be subject to due diligence before engagement, a written agreement with confidentiality, audit-access and termination rights, periodic performance review and a code of conduct, in accordance with the RBI (NBFC – Managing Risks in Outsourcing) Directions, 2025. Core management functions, including credit sanction and compliance, shall not be outsourced. The outsourcing register shall be reviewed by the RMC annually.

11. Compliance, Conduct and Reputational Risk

The Compliance Officer shall maintain a compliance calendar of all RBI returns, Companies Act filings and other statutory obligations, and shall report filing status, RBI correspondence and inspection observations to the RMC each quarter. Conduct risk arising from mis-selling, opaque pricing, harassment in collection or wrongful auction of gold shall be mitigated through the Fair Practices Code, the Key Facts Statement, the Grievance Redressal Policy and the code of conduct for recovery agents, with grievance statistics and root-cause analysis reported to the RMC.

12. Risk Reporting Framework

Report	Prepared by	Recipient	Frequency
Limit-breach and early-warning exceptions	Risk Function	Head – Operation / Credit; Managing Director	Weekly / as arising
Product-wise portfolio quality (SMA/NPA, collection efficiency, LTV distribution)	Risk Function with MIS	Managing Director; Operation/Credit Head	Monthly
Gold custody verification and price-sensitivity report	Gold Loan operations; Internal Audit	Head – Operation/Credit	Monthly (sensitivity); quarterly (custody)
RMC Risk Dashboard (Annexure II)	Head – Operation/Credit	Risk Management Committee	Quarterly
Structural liquidity and interest-rate sensitivity statements	Finance / Accounts	RMC	Quarterly
Fraud, outsourcing and IS-audit summary	Risk Function; Internal Audit	RMC; Board	Quarterly
RMC report to the Board	Chairperson, RMC	Board of Directors	After every RMC meeting
Annual review of risk appetite, limits and this Policy	Head – Risk; Compliance Officer	RMC; Board	Annually

13. Review and Amendment

This Policy and its Annexures shall be reviewed by the RMC and approved by the Board at least once every financial year, and earlier upon any amendment to the RBI Directions referenced herein, any change in the Company's layer classification, or the introduction of a new product. Changes made to give immediate effect to a regulatory requirement shall be ratified at the next Board meeting, and such ratification shall not delay compliance. In the event of conflict between this Policy and any RBI direction, the RBI direction shall prevail. Where this Policy and the Fair Practices Code address the same matter, the Fair Practices Code standard shall govern customer-facing conduct.

Annexure I — Risk Appetite Limits

The Board approves the following limits. Values shown in square brackets are to be confirmed by the Board at adoption on the basis of the Company's audited financial position; the Risk Function shall recommend numbers within the indicative ranges shown.

Parameter	Board-approved limit / tolerance
Capital adequacy	CRAR not less than 15% (regulatory minimum) plus an internal buffer of 3% ; Tier I not less than 10%
Single borrower exposure	Not more than 25% of Tier I capital, and in any case not more than ₹250.00 Lakh
Single group exposure	Not more than 25 % of Tier I capital
LAP portfolio	Not more than 20% of AUM; LTV up to 60% for residential and 50% for commercial property; two valuations for exposure above ₹20 lakh; FOIR not exceeding 60%
Gold Loan portfolio	Not more than 20% of AUM; LTV within RBI tiered ceilings (85% / 80% / 75%); portfolio-weighted LTV not exceeding 75%; bullet-repayment tenure ≤ 12 months; per-borrower collateral within RBI caps
Unsecured SME portfolio	Not more than 50% of AUM; single-borrower ceiling ₹25 lakh; surrogate-assessed loans not more than 40% of SME book
Non-Income-Proof portfolio	Not more than 10% of AUM; ticket size ₹10K to ₹1.00 Lakh; tenure 3 months to 24 months; dual sign-off above ₹50,000
Aggregate unsecured exposure (SME + NIP)	Not more than 65% of AUM
Geographic concentration	No single state above 60% of AUM other than Odisha; no single district / branch cluster above 30% of AUM
Gross NPA trigger	Product-wise GNPA above 3% for secured and 5% for unsecured products triggers RMC review and origination review
Liquidity	Cumulative negative mismatch in 1–30 day bucket ≤ 10% of cumulative outflows; liquidity buffer ≥ 5% months of debt service and operating outflows
Funding concentration	No single lender above 25% of total borrowings
Interest-rate sensitivity	Earnings-at-risk for a 100 bps parallel shift not exceeding 10% of projected annual net interest income
Gold-price stress trigger	A 15% fall in the reference gold price shall not push more than 7.5% of the gold book above 100% LTV; a 10% price movement within 30 days triggers an RMC meeting
Operational loss	Aggregate operational and fraud losses not exceeding 2% of net worth in any financial year

Annexure II — Quarterly RMC Risk Dashboard: Minimum Contents

1. Portfolio composition by product, geography and ticket band, with quarter-on-quarter movement.
2. SMA-0/1/2, NPA and provisioning by product; vintage delinquency curves; collection efficiency; restructured and written-off accounts.
3. Gold book: LTV distribution against tiered ceilings, weighted LTV, price-sensitivity, assaying exceptions, custody verification results, overdue and auction pipeline, collateral-return delays.
4. LAP book: valuation and title exceptions, mortgage-creation and CERSAI status, enforcement pipeline and recovery experience.
5. Unsecured SME and NIP books: first-EMI bounce rate, 30+ and 90+ delinquency by sourcing channel and branch, fraud flags.
6. Concentration limits utilisation against Annexure I.
7. Structural liquidity statement, liquidity buffer, funding pipeline, lender concentration and covenant compliance.
8. Interest-rate gap and earnings-at-risk.
9. CRAR and Tier I, actual and projected for four quarters, with stress scenario.
10. Operational loss events, frauds and attempted frauds, early-warning triggers and status of investigation.
11. Outsourcing register exceptions; IS-audit and cyber-incident summary.
12. Compliance: RBI returns filed / pending, inspection observations and closure status, grievance statistics.
13. Internal audit observations on risk matters and status of corrective action.
14. Open action items from previous RMC meetings.

**Adopted and Approved by Board
For Sabrimala Fintech Private Limited**

Sd/-

Managing Director

Version	Adopted on
Version.5	24-08-2026