# Policy on Co-Lending

| | |
|---|---|
| **Document Classification** | Internal |
| **Version** | 1.0 |
| **Document Owner** | Sales and Partnership |
| **Approval Authority** | Board of Directors |
| **Review Frequency** | Annual |
| **Effective Date** | 20 August-2025 |
| **Date of last review** | |

Table of Contents





**Tel**: +91-727-727-7275 **Website**: www.spinnycapital.com **Email**: contactus@spinnycapital.com

**Regd. Office**: 7th floor, Tower-A, Capital Business Park, Sector-48, Sohna Road, Gurgaon, Haryana -122018

## 1. Introduction

In compliance with and with reference to the Reserve Bank of India (hereinafter referred to as RBI) notification no. **RBI/2020-21/63 FIDD.CO.Plan.BC.No.8/04.09.01/2020-21** dated **November 5, 2020**, Spinny Capital Private Limited (hereinafter referred to as "Spinny Capital" or "SCPL") shall adopt the following policy for Co-Lending.

Co-Lending M odel (CLM) involves sharing of risks and rewards between the sourcing partner (SCPL) and co-lending partner bank while ensuring alignment of respective business objectives as per the mutual agreement between both involved entities (SCPL and partner bank/NBFC).

The above arrangement results in an opportunity for SCPL to originate and build a retail portfolio with a lower equity requirement, while simultaneously allowing partner banks/NBFCs to build a retail portfolio in line with their respective risk appetite and low cost of acquisition.

## 2. Eligibility

All retail loans sourced by SCPL and meeting the respective mutually agreed co-lending credit policy norms shall be eligible for co-lending model.

## 3. Master Co-Lending agreement

A master co-lending agreement shall be entered into by SCPL and the respective co-lending partner bank/NBFC which shall clearly outline the terms of the arrangement between SCPL and partner bank/NBFC for the co-lending arrangement, including area of operation and broadly outlining the segregation of responsibilities of SCPL and respective partner.

## 4. Area of Operations

Loan sourced by SCPL across all live locations shall be eligible for co-lending.
However, this shall also be governed by the availability of the respective partner bank/NBFC at that particular location.

## 5. Co-Lending Model

SCPL shall follow CLM 1 (back-to-back basis) or CLM 2 (akin to direct assignment) as described in the RBI guidelines, based on the mutual agreement between SCPL and the respective co-lending partner bank/NBFC.

The same shall be outlined in the master co-lending agreement and/or related agreement with the respective partner bank/NBFC.

## 6. Sharing proportion of co-lending loans

SCPL will retain a minimum of 20% of all such loans sourced under co-lending arrangement, and the balance share (up to a maximum of 80%) shall be retained by the partner bank/NBFC.

The respective share of the loans to be retained by SCPL and the partner bank/NBFC shall be clearly outlined in the respective master co-lending agreement.

## 7. Pricing and Income sharing

The end customer shall be charged an all-inclusive interest rate.
However, SCPL and the partner bank shall have the flexibility to price their respective part of the total loan amount.

On every instance of repayment, the respective share of the installment amount shall be remitted to the partner bank as per the mutually agreed terms defined in the master co-lending agreement and related agreements/SoW/SoP.

## 8. Segregation of Monies

All transactions (disbursement & collections) pertaining to co-lending cases shall be routed through respective escrow account(s) in order to avoid intermingling of funds.

The master co-lending agreement may outline the working of escrow accounts based on the arrangement with the partner bank/NBFC.

## 9. Loan Agreement & Customer Service

SCPL shall enter into an agreement with the individual borrowers under the co-lending arrangement. This loan agreement shall outline the broad details of the co-lending arrangement with the partner bank/NBFC.

SCPL shall be the interface for all such loans originating under a co-lending arrangement.
SCPL shall be responsible for all customer service related activities, and manage and resolve customers' queries as per the agreed timelines as defined in the master agreement and/or related policy/process documents.

Adequate processes shall be in place for grievance redressal to resolve any complaints raised / registered by the borrowers as defined in the Fair Practice Code.

Failure to the above will entitle the borrower to escalate the same with the concerned banking ombudsman.

## 10. Provisioning

Both co-lending parties (SCPL and partner bank/NBFC) shall adhere to the asset classification and provisioning requirement including reporting to Credit Information Companies for their respective share of loan account.

In the event of default, provisions shall be made in books for the mentioned loan accounts (SCPL share) as per SCPL's internal approved policy.

## 11. Review and amendments

This Policy will be reviewed and updated from time to time to ensure that it is current and aligned with the regulatory requirements. All updates and revisions to the policy will be approved by the Board of Directors (Board) of the Company.