

**FAIR PRACTICE CODE AND GRIEVANCE
REDRESSAL MECHANISM**

RattanIndia Finance Private Limited

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Fair Practices Code and Grievance Redressal Mechanism

1. Introduction

This Code has been formulated by RattanIndia Finance Private Limited (“the Company”) pursuant to the Guidelines on Fair Practices Code for applicable Non-Banking Financial Companies issued by the Reserve Bank of India (RBI). The Company shall make appropriate modifications to this code from time to time to conform to the standards that may be prescribed by RBI from time to time.

2. Objectives

- 2.1. Follow good, fair and transparent business practices by setting reasonable standards in dealing with customers;
- 2.2. Encourage market forces, through fair competition, to achieve higher operating standards;
- 2.3. Relate to the customer in such manner so as to promote a fair and cordial relationship;
- 2.4. Recovery and enforcement, where necessary, is conducted following due process of law.

3. Application

- 3.1. To be applicable to all persons offering the products and services of the Company as an employee or otherwise in any manner and/or by any mode.
- 3.2. The Code is applicable under normal operating environment except in the event of any force majeure.
- 3.3. The Code is based on ethical principles of integrity and transparency and all actions and dealings shall follow the spirit of the Code.

4. Commitment

- 4.1. The Company shall at all times do its best to act fairly, reasonably and meet the standard practices prevalent in the industry.
- 4.2. The Company shall abide by all the relevant laws, regulations and meet the ethical principles of integrity and transparency during its interaction with customers.

- 4.3. While interacting with customers, the Company shall take all steps as may be required to provide clear information either in English or Hindi or the appropriate vernacular language regarding:
 - i. its various products and services;
 - ii. the terms and conditions, the interest rates/service charges;
 - iii. benefits available to customers and the implications, if any;
 - iv. contact persons for addressing the queries, if any;
- 4.4. The Company will provide a copy of this Code, on request, to the customer. The Code will also be made available on our Website and at every branch/ office.
- 4.5. The Company shall treat the information relating to customers as strictly confidential and shall not share any information, unless required under law or waived or permitted by the customer.
- 4.6. The Company shall take necessary steps to inform its customers of their right to information regarding their account and the facilities available to them.
- 4.7. The Company shall inform its customers of all financial information such as rates of interest, charges, method of calculation etc. through brochures, posters or during meeting with the customers etc. prior to entering into any transaction.
- 4.8. The Company shall endeavor to keep its customers informed of any change in interest rates / charges etc. through letters or any other form of general or public announcement or displays, from time to time.
- 4.9. The Company shall disclose, by such mode and in such manner as deemed fit, to ensure transparency, all information affecting the interest of the borrower including but not limited to :
 - i. fees/charges payable for processing loan application;
 - ii. annualized rate of interest & method of application thereof
 - iii. the amount of fee refundable, if any, if the loan amount is not sanctioned;
 - iv. Prepayment options and charges, if any;
 - v. Penalty for delayed repayment, in bold, if any;
 - vi. Conversion charges (Switching loan from fixed to floating rate or vice –versa);
 - vii. Existence of interest re-set clause, if any;
 - viii. any other matter which affects the interest of the borrower.
- 4.10. The disclosure shall be done to ensure that the borrowers are aware of all interest, charges and fees involved in processing and sanctioning of loan.
- 4.11. The Company shall ensure that changes in interest rates and charges are effected only prospectively
- 4.12. The Board of Director of the Company shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges.
- 4.13. The decision to recall / accelerate payment or performance under the agreement shall be in consonance with the loan agreement.

5. Loans

- 5.1. The Company in the normal course of its business shall endeavour at all times to guide its customers about the process and procedure to be followed for availing a loan.
- 5.2. Each application shall be considered independently on merit, upon scrutiny of all the information, documents required for verifying the title of the property, identity of the person, entity and the security to be offered, including guarantees.
- 5.3. The Company shall carry out borrower's due diligence to ascertain the credit worthiness of borrower which will be an important parameter in taking decision of the application before sanctioning or rejection of any loan application.
- 5.4. The Company shall give an acknowledgement for receipt of all loan applications and the likely time frame within which loan applications will be disposed of shall also be indicated in the acknowledgement.
- 5.5. The Company shall convey in writing to the borrower in English or any other vernacular language as understood by the borrower by means of sanction letter, loan agreement or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record.
- 5.6. The Company shall furnish a copy of the loan agreement as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction / disbursement of loans.
- 5.7. The Company shall release all securities on repayment of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim they may have against borrower. If such right of set off is to be exercised, the borrower shall be given notice about the same with full particulars about the remaining claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled/ paid.

6. Collection of Dues

- 6.1. The Company shall provide the customers with all the information regarding their dues and provide reasonable time for payment of the same.
- 6.2. The Company shall, while protecting its interest, adopt reasonable and lawful measures to recover its dues from defaulting customers, including use of persuasive methods for collection of its dues.
- 6.3. The company shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.

7. General

- 7.1. The Company shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the borrower, has been noticed).
- 7.2. The Company shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.
- 7.3. In case of receipt of request from the borrower for transfer of borrowed account, the consent or otherwise i.e. objection of the Company, if any, shall be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

8. Repossession of products financed by the Company

- 8.1. The Company shall have a built in re-possession clause in the contract/loan agreement with the borrower which shall be legally enforceable.
- 8.2. The terms and conditions of the contract/loan agreement shall also contain provisions regarding: (i) notice period before taking possession; (ii) circumstances under which the notice period can be waived; (iii) the procedure for taking possession of the security; (iv) a provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the property; (v) the procedure for giving repossession to the borrower; and (vi) the procedure for sale / auction of the property.
- 8.3. A copy of such terms and conditions will be made available to the borrower by furnishing a copy of loan agreement along with a copy each of all enclosures quoted in the loan agreement.

9. Complaints and Grievances

- 9.1. The Board of Directors of the Company shall lay down the appropriate grievance redressal mechanism within the organization.
- 9.2. The Company shall endeavor to address/respond to all complaints and grievances within a reasonable time and keep the customers informed about the status of their complaints.
- 9.3. The Company shall make available facilities at each of its branches and offices for the customers to lodge and/or submit their complaints or grievances, if any.
- 9.4. The Company will ensure that its grievance redressal procedure is made available on its website.
- 9.5. The Company shall not discriminate in extending products and facilities including loan facilities to physically / visually challenged applicants on grounds of disability.

Further, the Company shall ensure redressal of grievances of persons with disabilities under the existing Grievance Redressal Mechanism provided herein.

10. Grievance Redressal Mechanism

10.1. Logging of compliant

- 10.1.1 All grievances made by the borrowers will be electronically recorded and maintained by the Company.
- 10.1.2 Customers shall ensure that they quote their application number/sanction number/loan account number in all their correspondence with the Company. Anonymous complaints will not be addressed under this mechanism.
- 10.1.3 Certain types of cases might need additional time due to the nature of the activities involved; e.g. retrieval of documents. The Company will inform the customers of such delay and provide expected timelines for resolution of the complaint.

10.2. Grievance Redressal Officer (GRO)

- 10.2.1. The Board of Directors of the Company shall nominate an employee of the Company as the Grievance Redressal Officer ('GRO') of the Company who will be entrusted with the job of redressing the grievances raised by the customers.
- 10.2.2. The GRO will be available during office hours to receive the grievance of all borrowers.

10.3. Display of resolution process and time frame

The Company shall put on display, the following details, at every branch of the Company –

- 10.3.1. The contact details of the customer service centre (toll free number as well as email channel shall be provided) that can be approached by the customers for first time resolution of complaints against the Company.
- 10.3.2. The name and contact details of the GRO who can be approached by the customers for resolution of complaints against the Company, in case the same has not been settled by the customer service centre within 7 (seven) working days.
- 10.3.3. In case the complaint/ dispute is not redressed within a period of 1 (one) month, the customer may appeal to the Officer-in-Charge of the Regional Office of DNBS of RBI, under whose jurisdiction the registered office of the Company falls.

11. Review of the Code

The Board of Directors shall conduct periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management. The GRO shall periodically review the compliance of this Code and a consolidated report of such review may be submitted to the Board.