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A. Background

The Reserve Bank of India (RBI) has issued broad guidelines on fair practices for Non-Banking Financial Companies (NBFCs) thereby setting standards for fair business and corporate practices while dealing with their borrowers. ENN ENN CAPITAL PVT. LTD. (the 'Company') has adopted all the best practices prescribed by RBI from time to time and has framed the Fair Practices Code (the 'Code').

B. Objectives

The Code has been developed with the following objectives:

1. To promote good and fair practices by setting minimum standards in dealing with borrowers;
2. To ensure transparency and thereby enabling the borrowers to have a better understanding of what they can reasonably expect of the products and services provided by the Company;
3. To promote a fair and cordial relationship between borrowers and the Company.

C. Applicability

This Code shall apply to all employees of the Company and other persons authorized to represent it in the course of its business, whether the products and services are provided across the counter, over the phone, by post, through interactive electronic device, on the internet or by any other method. This Code will also be displayed on the notice board in all the branches and also on the website of the Company.

D. Commitments

The Company shall adhere to this Code to act fairly and reasonably in all dealings, on the ethical principles of fairness, integrity and transparency, to meet the standard practices prevalent in the industry.

The Company shall provide clear information, without any ambiguity, to help the borrowers in understanding:

1. the products and services together with its terms and conditions including interest rates and service charges;
2. the benefits available to borrowers.

The Company shall be prompt and empathetic in attending to the borrower's complaints considering the objectives underlying this Code.

The Company shall treat all personal information of borrowers as private and confidential and shall not divulge any information to third person unless required by any law or Government authorities including Regulators or Credit Information Companies or where the sharing of information is permitted by the borrower.

The Company shall not discriminate against its borrowers on grounds of race, caste, gender, marital status, religion or disability. However, the restrictions, if any, as mentioned in the loan products shall continue to apply.

The Company shall refrain from interference in the affairs of the borrowers except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the lender).

E. Disclosure and Transparency

The Company shall provide information on interest rates, common fees and charges through:

- a. Putting up notices in branches
- b. Through telephones or help lines
- c. Through designated staff/help desk
- d. Publishing on the website of the Company

F. Advertising, Marketing and Sales

The Company shall ensure that all advertising and promotional material is clear and not misleading. The Fair Practices Code shall also apply to sales associates / representatives of the Company to the extent of their identification when they approach the borrower for selling products personally. In case of any advertisement in any media and promotional literature that draws attention to a service / product and its interest rate, the Company shall also provide the details of other fees or charges, if any.

G. Credit Information Companies

The Company would provide credit information to all Credit Information Companies (CIC) regularly on monthly basis or at such shorter intervals as required by regulations / mutually agreed upon between the Company and CIC.

The Company shall send alerts through SMS/ email to customers while submitting information to CICs regarding default/ Days Past Due (DPD) in existing credit facilities, wherever the mobile number/email ID details are available.

The Company shall organize special awareness campaigns to sensitize their customers about benefits of submission of their mobile numbers/ email ID.

H. Know Your Customer (KYC) Guidelines

The Company shall explain the requirements of KYC guidelines to its borrowers and inform them about the documents required for establishing the identity of the borrower before loan sanctioning, account opening and operation. The Company shall also specify the KYC documentation requirements and publish the same on Company website www.ennenncapital.com for the benefit of the borrowers.

The Company shall obtain only such information to meet with company's KYC, Anti-Money Laundering or any other statutory requirements. In case any additional information is asked for, it will be sought separately and shall specify the objective of obtaining such additional information.

I. Loans

1) Applications for loans and its processing:

- a. All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- b. Loan application forms issued by the Company shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application form shall indicate the documents required to be submitted with the application form.
- c. The Company shall give acknowledgement for receipt of all loan applications. The time frame within which loan applications will be disposed would also be indicated in the acknowledgement. The Borrower may contact the branch/customer service team to obtain an update on the status of the application.
- d. If the Company cannot provide the loan to the borrower, it shall communicate the same to the borrower through its appointed representatives or directly to the borrower verbally. In case the borrower requires the same in writing, the reason(s) for rejection may be provided in writing.

2) Loan appraisal and terms and conditions and Key Facts Statement for Loans and Advances:

- a. The Company shall convey in writing to the borrower in the vernacular language as understood by the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions. The said letter shall include annualized rate of interest and method of application thereof. The Company shall keep the acceptance of these terms and conditions by the borrower on its record.
- b. The Company shall also provide Key Facts Statement (KFS) to all prospective borrowers for all new retail and MSME term loans. This statement will help them take an informed view before executing the loan contract, as per the standardized format given in the RBI circular 'Key Facts Statement (KFS) for Loans & Advances' dated April 15, 2024. The KFS shall be written in a language understood by such borrowers. Contents of KFS shall be explained to the borrower and an acknowledgement shall be obtained that he/she has understood the same.

Further, the KFS shall be provided with a unique proposal number and shall have a validity period of at least three working days for loans having tenor of seven days or more, and a validity period of one working day for loans having tenor of less than seven days (*Validity period refers to the period available to the borrower, after being provided the KFS by the RE, to agree to the terms of the loan. The Company shall be bound by the terms of the loan indicated in the KFS, if agreed to by the borrower during the validity period*)

The KFS shall also include a computation sheet of annual percentage rate (APR), and the amortization schedule of the loan over the loan tenor. APR will include all charges which are levied by the Company.

Charges recovered from the borrowers by the Company on behalf of third-party service providers on actual basis, such as insurance charges, legal charges etc., shall also form part of the APR and shall be disclosed separately. In all cases wherever the Company is involved in recovering such charges, the receipts and related documents shall be provided to the borrower for each payment, within a reasonable time.

Any fees, charges, etc. which are not mentioned in the KFS, cannot be charged by the Company to the borrower at any stage during the term of the loan, without explicit consent of the borrower. The KFS shall also be included as a summary box to be exhibited as part of the loan agreement.

- c. The Company shall mention the penal charges for late repayment in the loan agreement.
- d. Penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. There shall be no capitalization of penal charges i.e., no further interest computed on such charges. However, this will not affect the normal procedures for compounding of interest in the loan account.
- e. The Company shall not introduce any additional component to the rate of interest and ensure compliance in both letter and spirit. The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.
- f. The quantum and reason for penal charges shall be clearly disclosed by the Company to the customers in the loan agreement and most important terms & conditions / Key Facts Statement (KFS) as applicable, in addition to being displayed on the Company's website under Interest rates and Service Charges.
- g. Whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.
- h. The penal charges in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges applicable to non-individual borrowers for similar non-compliance of material terms and conditions.
- i. A copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement would be furnished to all the borrowers at the time of sanction / disbursement of loans.
- j. The Company shall have a built-in re-possession clause in the contract/loan agreement with the borrower which must be legally enforceable (in case of vehicle financing).
- k. The terms and conditions of the contract/loan agreement shall also contain following provisions:
 - i. Notice period before taking possession (in case of vehicle financing) and the Circumstances under which the notice period can be waived
 - ii. Procedure for taking possession of the security
 - iii. Provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the property
 - iv. Procedure for giving repossession to the borrower (in case of vehicle financing)
 - v. Procedure for sale / auction of the property
- l. The terms & conditions for lending against gold shall disclose details regarding auction procedure. The Company shall follow transparent auction procedure in case of nonrepayment with adequate prior notice to the borrower. The auction shall be announced to the public by issue of advertisements in at least two newspapers, one in vernacular language and another in national daily newspaper.

3) Disbursement of loans including changes in terms and conditions:

- a) The Company would give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company shall also ensure that the changes in interest rates and charges are effected only prospectively. A suitable condition in this regard shall be incorporated in the loan agreement.
- b) Decision to recall / accelerate payment or performance under the agreement would be in consonance with the loan agreement.
- c) All the securities offered by the borrower shall be released 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 that the Company may have against the 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.
- d) In case of receipt of request from the borrower for transfer of borrower 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.
- e) The Company shall not charge foreclosure charges/ pre-payment penalties on any floating rate term loans sanctioned for purposes other than business to individual borrowers with or without co-obligant(s) irrespective of the source of funds used for pre-payment of loans, either in part or in full, and without any minimum lock-in period. However, if the loan is FIXED rate type, the company may levy foreclosure charges which shall be transparently disclosed in the loan documentation including KFS upfront to the customer. Applicability of such norms regarding foreclosure charges on dual/ special rate (combination of fixed and floating rate) loans will depend on whether the loan is on floating rate at the time of prepayment.

J. Fair Practices Code for Lenders on Charging of Interest

- a. Interest shall be charged from the date of actual disbursement of the funds to the customer and not from the date of sanction of loan or date of execution of loan agreement. In the case of loans being disbursed by cheque, interest shall be charged from the date the cheque is handed over to the customer and not from the date of the cheque
- b. In the case of disbursal or repayment of loans during the course of the month, interest shall be charged only for the period for which the loan was outstanding and not for the entire month.
- c. Where one or more installments are collected in advance, interest shall be charged on the reduced amount and not on the full loan amount.
- d. Online account transfers to be the preferred mode for loan disbursal, in lieu of cheques.

K. Collection of Dues

Whenever loans are given, the Company would explain to the borrower the repayment process by way of amount, tenure and periodicity of repayment. However, if the borrower does not adhere to repayment schedule, a defined process in accordance with the laws of the land shall be followed for recovery of dues. The process will involve reminding the borrower by sending him/her notice or by making personal visits and / or repossession of security, if any. The Company staff or any person authorized to represent the Company for collection of dues or/and security repossession shall identify himself / herself and display the authority letter issued by the Company, and upon request display his/her identity card issued by the Company or under authority of the Company. The Company shall provide the borrowers with all the information regarding overdues. The Company shall not resort to undue harassment viz; persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc. and also ensure that

the staff are adequately trained to deal with the borrowers in an appropriate manner. During visits to borrower's place by the person authorized by the Company for dues collection or/and security possession/repossession the following guidelines shall be followed:

- a. Borrower would be contacted ordinarily at the place of his / her choice and in the absence of any specified place, at the place of his / her residence or at the place of business / occupation.
- b. Identity and authority to represent the Company shall be made known at the first instance.
- c. Borrower's privacy should be respected.
- d. Interaction with the borrower shall be in a civil manner.
- e. The Company shall strictly ensure that the Company representative or their agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends or sending inappropriate messages either on mobile or through social media or making threatening and/ or anonymous calls or persistently calling the borrower and/ or calling the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc.
- f. Time and number of calls and contents of conversation would be documented.
- g. All assistance should be given to resolve disputes or differences in a mutually acceptable and orderly manner.
- h. During visits to borrower's place for dues collection, decency and decorum shall be maintained.

L. Branch Closure/ Shifting

The Company shall inform the borrower in the event of closure/shifting of its branch offices.

M. Communication with the Borrower

Borrowers should be able to access the Company through any of the following means:

1. Walk-ins to branches (as mentioned in Company brochure/website/any other leaflet)
2. Telephone, email id and website (as mentioned in Company brochure/website/any other leaflet)

N. Disclosures

A review of compliance of the Fair Practices Code and the functioning of the grievance redressal mechanism would be done by the management at quarterly intervals and a consolidated report of such reviews shall be submitted to the Board of Directors on a quarterly basis. An updated copy of the Code shall be displayed on the Company's website.

O. Grievances Redressal Mechanism

The Company shall strive for borrower satisfaction within the framework of law, adopted policies and procedures. Such a mechanism ensures that all disputes arising out of the decisions of lending institutions' functionaries are heard and disposed of at least at the next higher level. The Company's Grievance Redressal Procedure displayed on the Company website, www.ennenncapital.com, may be referred to for details pertaining to grievance redressal process and escalation matrix.

In line with RBI Circular DNBR. PD.CC. No. 090/03.10.001/2017-18 dated November 09, 2017, Company's existing Grievance Redressal Mechanism shall also deal with the complaints relating to services provided by the Outsourced agency.

P. Principal Nodal Officer under the Ombudsman Scheme

In accordance with the Reserve Bank - Integrated Ombudsman Scheme, 2021 ('Scheme'), every NBFC is required to appoint a Principal Nodal Officer. In line with the requirements, the Company has designated Mr. Devang Mandaviya as the Principal Nodal Officer ('PNO') for receiving and addressing complaints from borrowers in a fair and expeditious manner. The contact details of the Principal Nodal Officer and the Ombudsman are available on the Company website- www.ennennncapital.com along with the Scheme. The PNO shall be responsible, inter alia, for representing the Company before the Ombudsman and the Appellate Authority under the Scheme.

Q. Policy for Determining Interest Rate

To ensure that the borrowers are not charged excessive interest rates and charges on loans and advances by the Company, the Board of the Company has adopted a Policy on Interest Rate Model and Policies & Procedures on Determining Interest Rates. The same has been displayed up on the Company's website- www.ennennncapital.com.

R. Responsible Lending Conduct – Release of movable/immovable property documents on repayment/ settlement of personal loans

[Applicable to all cases where release of original movable/immovable property documents falls due on or after December 01, 2023]

- (i) The Company shall release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/settlement of the loan account.
- (ii) The Company shall give the option of collecting the original movable/ immovable property documents either from the branch where the loan account was serviced or any other office of the Company where the documents are available, as per her/his preference.
- (iii) The timeline and place of return of original movable/immovable property documents shall be mentioned in the loan sanction letters issued on or after the effective date 01st December 2023.
- (iv) In order to address the contingent event of demise of the sole borrower or joint borrowers, the Company has a well laid out procedure for return of original movable/immovable property documents to the legal heirs. (Refer company website- www.ennennncapital.com)
- (v) In case of delay in releasing of original movable/immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/ settlement of loan, the Company shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the Company, it shall compensate the borrower at the rate of ₹5,000 for each day of delay.
- (vi) In case of loss/damage to original movable/immovable property documents, either in part or in full, the Company shall assist the borrower in obtaining duplicate/certified copies of the movable/immovable property documents and the Company bear the associated costs, in addition to paying compensation as indicated in above para. However, in such cases, an additional time of 30 days will be available to the Company to complete this procedure and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).

S. Reset of floating interest rate on Equated Monthly Instalments (EMI) based personal loans
[Effective from 31st December 2023 for all Floating Interest rate loans (both existing and new loans)]

- (i) At the time of sanction, the Company shall clearly communicate to the borrowers about the possible impact of change in benchmark interest rate on the loan leading to changes in EMI and/or tenor or both. Subsequently, any increase in the EMI/ tenor or both on account of the above shall be communicated to the borrower immediately through appropriate channels.
- (ii) At the time of reset of interest rates, the Company shall provide the option to the borrowers to switch over to a fixed rate as per Board approved policy
- (iii) At the time of reset of interest rates, the Company shall provide choice to the borrowers to opt for (a) enhancement in EMI or elongation of tenor or for a combination of both options; and, (b) to prepay, either in part or in full, at any point during the tenor of the loan subject to foreclosure charges/ pre-payment charges, if any.
- (iv) The Company shall disclose all applicable charges for switching of loans from floating to fixed rate and any other service charges/ administrative costs incidental to the exercise of the above option in the sanction letter and also at the time of revision of such charges/ costs by the company from time to time.
- (v) The Company shall ensure that the elongation of tenor in case of floating rate loan does not result in negative amortization.
- (vi) The Company shall make accessible to the borrowers, through appropriate channels, a statement at the end of each quarter which shall at the minimum, enumerate the principal and interest recovered till date, EMI amount, number of EMIs left and annualized rate of interest/Annual Percentage Rate (APR) for the entire tenor of the loan. The Company will ensure that communication shall be sent to all existing borrowers through appropriate channels intimating the options available to the customers.
- (vii) Apart from EMI loans, these provisions would apply to all equated instalment-based loans of different periodicities.

T. Lending against collateral of Gold Jewelry

While lending to individuals against gold jewelry, the Company shall adopt the following in addition to the general directions as above:

- a. Adequate steps to ensure that the KYC guidelines stipulated by the RBI are complied with and to ensure that adequate due diligence is carried out on the borrower before extending any loan.
- b. Proper assaying procedure for the jewelers.
- c. Proper process to satisfy ownership of the gold jewelry.
- d. Adequate systems for storing the jewelers in safe custody, reviewing the systems on an on-going basis, training the concerned staff and periodic inspection by internal auditors to ensure that the procedures are strictly adhered to. Such loans shall not be extended by branches that do not have appropriate facility for storage of the jewelry.
- e. The jewelers accepted as collateral shall be appropriately insured.
- f. Transparent auction procedure in case of non-repayment with adequate prior notice to the borrower.
- g. There shall be no conflict of interest and the auction process will ensure that there is arm's length relationship in all transactions during the auction including with group companies and related entities.
- h. The auction shall be announced to the public by issue of advertisements in at least two newspapers, one in vernacular and another in national daily newspaper
- i. As a policy, the Company themselves shall not participate in the auctions held

- j. Gold pledged shall be auctioned only through its employees having necessary experience and/or training or an auctioneer empaneled by the company as per its policy approved by the Board.
- k. The terms and conditions of loan contract shall also disclose details regarding auction procedure
- l. The Company will mandatorily insist on a copy of PAN Card of the borrower for all transactions above Rs. 5 l a c s .
- m. Documentation across all branches shall be standardized
- n. The Company shall not issue misleading advertisements like claiming the availability of loans in a matter of 2-3 minutes
- o. **Pricing Policy- Gold Loan**

This section prescribes the guiding principles of fixing interest rate on gold loans and other loan schemes of ENN ENN CAPITAL PVT. LTD., as enumerated below. The rate of interest on gold loan schemes shall be “FIXED” Rate type which means that the rate for an existing customer shall not change during the entire tenor of loan. The final pricing shall take into account various factors such as cost of funds, risk premium, operating cost, fair return on capital deployed, market conditions including any guideline of Reserve Bank of India regarding Fair Practices Code.

1. Cost of Funds

This component shall represent the interest and other incidental charges payable by the Company for servicing the borrowed funds which are mobilized through various sources like loans etc. Major components include interest on bank borrowings and other incidental charges thereto.

2. Operating Cost

Operating cost shall comprise of employee cost, establishment costs such as charges for rent, electricity, water etc., security charges such as engagement of security guards, setting up of burglar alarms and CCTV cameras, insurance premium for insuring the gold security held in the custody of the Company etc., Statutory expenses, Marketing expenses etc.

3. Risk Premium

- Risk premium shall be determined by taking into account the degree of credit risk involved in loans under each loan scheme.
- The tenure period of the loan shall be one of the key risk factors as the probability of risk incidents goes up with the passage of time. Hence, for monthly EMI scheme, the rate of interest shall be lower for tenor of 12 months as compared to tenor of 24 months.
- Effective Interest rates on gold loans shall also vary depending upon the rebate offered for periodical remittance of the interest under bullet scheme, wherein a rebate shall be given to those who service the interest earlier then the schedule fixed at the time of disbursal. For e.g., higher rebate shall be offered to those servicing interest within 30 days of disbursal as compared to 60 days, 90 days and so on. The rebate comes down and resultantly the interest rate goes up if interest is not serviced by the scheduled dates prescribed like 30/60/90 days etc. after availing the loan. The rebate is offered to encourage borrowers to service interest regularly within the prescribed slab periods and to avail the benefit of higher rebate and

lower competitive interest rates. The rebate is only an offer and it is left to the choice of the borrower whether to avail the benefit or not. If customer does not opt for the said rebate in such schemes, company shall charge interest as per the terms and conditions of the loan mutually agreed to by the borrower who has signed the pledge form and loan agreement/Other terms and conditions of the loan. For example, if a bullet scheme sanctioned at rate of interest of say 24%. p.a. is offering a rebate of say, 12.1% for servicing interest within 30 days, interest @ 11.9% only will be charged if interest is paid within say, 30 days from the date of disbursal or next date from last interest payment date, whichever is later. However, if the customer does not service interest by 30 days after availing the loan, he will lose the advantage of the higher rebate and accordingly, the rebate rate will move to the next lower slab resulting in a corresponding higher interest rate being charged from the loan origination date and customer has to pay interest accordingly.

4. Fair return on Capital Employed

Fair return on capital shall be calculated as per industry standards

5. **Method of Calculation of Interest**

- The interest shall be calculated for the actual number of days the loan remains outstanding.
- For the purpose of interest calculation, a year will be reckoned as 365 days.
- The interest will be calculated basis Simple Interest method.
- The interest shall accrue on daily basis though payable as per the demand generated basis repayment schedule under each scheme.

6. Processing Fees, Other Charges & Penal Charges

o Processing Fees & Other charges (other than Penal charges)

Besides interest, other financial charges like processing fees, prepayment/ foreclosure charges, charges on various other services like SMS charges etc. would be levied by the company wherever considered necessary. Any revision in these charges for existing loan would be with prospective effect and after informing the borrower atleast 30 days in advance. A suitable condition in this regard would be incorporated in the loan agreement.

o Penal Charges:

- The company shall levy a reasonable penalty for non-compliance of material terms and conditions of loan contract including late payment of dues by the borrower and such charges shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' i.e. such charges shall not be added to the rate of interest charged on the advances
- There shall be no capitalization of penal charges i.e., no further interest computed on such charges.
- The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan/product category.

- The penal charges in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges to non-individual borrowers for similar non-compliance of material terms and conditions.
- The quantum and reason for penal charges shall be clearly disclosed to the customers in the loan agreement and most important terms & conditions/Key Fact Statement (KFS), in addition to being displayed on the company's website under "Interest rates and Service Charges"
- Whenever reminders for non-compliance of material terms and conditions of loan are sent to borrowers, the penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.
- The above policy on Penal charges shall be implemented in respect of all the fresh loans availed/all existing loans renewed from April 01, 2024 onwards. In the case of existing loans, the switchover to new penal charges regime shall be ensured on next review or renewal date falling on or after April 01, 2024, but not later than June 30, 2024.

U. Loan facilities to the physically / visually challenged

The Company shall not discriminate in extending products and facilities including loan facilities to physically / Visually challenged applicants on grounds of disability. All branches of the Company shall render all possible assistance to such persons for availing of the various business facilities. The Company shall include a suitable module containing the rights of persons with disabilities guaranteed to them by the law and international conventions, in all the training programs conducted for their employees at all levels. Further, the Company shall ensure redressal of grievances of persons with disabilities under the Grievance Redressal Mechanism already set up.

V. Cross-selling of non-credit products

Issuance of non-credit products shall be with full consent of the borrowers and fee structure for such products shall be explicitly communicated to the borrower in the sanction letter and KFS itself.

The Company will provide the customers with a full range of financial products the customer is eligible for. Some of these products / services will be its own; some others will be the products of the group or associate companies and also companies with which the Company will have arrangements with.

The Company will endeavor to bring synergy between the various financial services, financial products, by cross selling these products to its customers.

W. Loans Sourced through Digital Lending Platforms

Where the Company sources or originates loans through digital lending platform(s) then the following additional steps shall be taken by the Company:

- a. The names of all digital lending platforms engaged as agents shall be disclosed on the Company's website.
- b. All digital lending platforms shall be directed to disclose upfront to the borrower, the name of the Company on whose behalf they are interacting with him.
- c. Immediately after sanction but before execution of the loan agreement, the sanction letter shall be issued to the borrower on the Company's letterhead.
- d. A copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement shall be furnished to all borrowers at the time of sanction/ disbursement of loans.
- e. Effective oversight and monitoring shall be ensured over the digital lending platforms engaged by the Company.
- f. Adequate efforts shall be made towards creating awareness about the Company's grievance redressal mechanism.

X. General

The Company reserves the right to amend / alter / modify the codes as mentioned herein above and provide updates from time to time, not affecting / sacrificing the underlying spirit of the code. Such alteration / amendments may be displayed at the notice boards of the branches / Corporate Office / website of the Company for the benefit and information of the borrower.

Y. Review of Code

This Code may be amended, modified or supplemented from time to time. The Code shall be reviewed every year by the Board of Directors of Company or whenever there is a significant change in law governing the subject matter of the Code.

***** END OF DOCUMENT *****