

## **Fair Practice Code**

The Reserve Bank of India ("RBI") has issued guidelines on Fair Practice Code for Non-Banking Finance Companies (herein after referred as "NBFCs") vide Notification No. DNBS (PD) CC No. 80 / 03.10.042 / 2005-06 dated September 28, 2006 and subsequently amended from time to time, thereby setting the standards for fair business and corporate practices while dealing with their customers. Unifinz Capital India Limited (formerly known as Shree Worstex Limited and herein after referred to as "Company" or "UCIL") shall adopt all such guidelines prescribed by RBI from time to time and shall make appropriate modifications if any, necessary to this Code to conform to the standards so prescribed. It is, and shall be, the policy of the Company to make available all financial products to all eligible qualified applicants, without discrimination on the basis of race, caste, color, religion, sex, marital status, age or handicap.

The Company has revisited the prevalent Fair Practice Code and amended it suitably in the context of its present nature of business to lay down the following procedures / practices in dealing with the business transactions and treating all its borrowers consistently and fairly.

### **Applications for loans and their 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 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.
- c. The loan application form shall indicate the documents required to be submitted with the application form. The Company shall give acknowledgement for receipt of all loan applications with an indicated time-frame within which decision on the loan application shall be communicated to the intended borrower.

### **Loan appraisal and terms / conditions**

- 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 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. The Company shall clearly mention the penal interest charged for late repayment in the loan agreement.
- b. The Company shall furnish a copy of the loan agreement along with a copy each of all its enclosures quoted in the loan agreement to all the borrowers at the time of disbursement of loans.

## **Disbursement of loans including changes in terms and conditions**

- a. The Company shall give notice to the borrower in the vernacular language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Changes in interest rates and charges shall be affected only prospectively as mentioned in the loan agreement.
- b. Decision to recall / accelerate payment under the agreement shall be in consonance with the loan agreement.
- c. 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 the Company 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.

## **Rate of Interest**

- a. The Company shall adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and frame appropriate internal principles and procedures for determining the gradation of risk applicable to different set of customers for different offerings of loans and advances. The Company shall, at the time of disbursal, ensure that the interest rate and other charges, if any, on loans and advances are in strict adherence to above referred internal principles and procedures.
- b. The Company shall disclose in the application form and explicitly in the sanction letter the rate of interest and the approach for gradation of risk and rationale for charging different rate of interest to different categories of borrowers.
- c. The Company shall publish the rates of interest and the approach for gradation of risks in the relevant newspapers or in the website of the Company, and shall be updated whenever there is a change in the rate of interest.
- d. The rate of interest shall be annualized rates to make the borrower aware of the exact rates that would be charged to the account.

## **Grievance Redressal**

- a. The Company shall lay down an appropriate grievance redressal mechanism with the objective of effective and efficient resolution of every dispute arising out of the decisions of the Company and affecting the borrower. The Board of Directors shall also provide for periodical review of the compliance of the Fair Practices Code and the functioning of the grievance redressal mechanism at various levels of management. A consolidated report of such reviews to be submitted to the Board at regular intervals, as may be prescribed by it.

- b. In case of any complaint / grievance, the borrowers may contact the Customer Care department of the Company at the below co-ordinates: -  
Tel: +91 - 73 73 73 73 16  
Email: [care@lendingplate.com](mailto:care@lendingplate.com)

- c. In case the borrower is not satisfied with the resolution provided by the Customer Care department of the Company in the normal course of business, he / she may contact the

Grievance Redressal Officer of the Company with her unresolved complaint / grievance at the below co-ordinates :-

Mr. Suhail Sheikh  
Chawla House (3rd. floor), 19 Nehru Place  
New Delhi – 110 019  
Tel: +91-7373737316  
Email: [grievance@lendingplate.com](mailto:grievance@lendingplate.com)

All complaints / grievances shall be heard and disposed-off by a person at least one level higher to the person / designation against / relating to whom the grievance is made. After examining the matter, it will be our endeavor to provide the borrower / applicant with our final or other response, within a period of one (1) month from receipt of such complaint / grievance.

- d. If the complaint / dispute is not redressed within a period of one month, customer may appeal to the Officer-in-Charge of the Regional Office of DNBS of RBI at:  
Officer-in-Charge  
Department of Non-Banking Supervision,  
Delhi Regional Office,  
6, Sansad Marg  
New Delhi – 110 001  
Tel: +91-11-2371 4456 / 0538, Fax: +91-11-2375 2188  
E-mail: [dnbsnewdelhi@rbi.org.in](mailto:dnbsnewdelhi@rbi.org.in)

## **General Provisions**

- a. 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 new information, not earlier disclosed by the borrower, has come to the notice of the Company).
- b. In case of receipt of request from the borrower for transfer of his / her loan account, the Company shall convey its consent or otherwise i.e., objection, if any, within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.
- c. In the matter of recovery of loans, the Company shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans.
- d. As a measure of customer protection and also in order to bring in uniformity with regard to prepayment of various loans by borrowers, the Company shall not charge foreclosure

charges / pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual borrowers, with or without co-obligant(s).

## **Force Majeure**

The various commitments outlined and made by the Company are applicable under the normal operating environment. In the event of Force Majeure, the Company may not be able to fulfill the commitments under the FPC to the entire satisfaction of the customer/s, the other stake holders and the public in general.

The Company shall offer assistance, encouragement and service in a fair, equitable and consistent manner. The Company shall ensure that the implementation of the Fair Practice Code (FPC) is the responsibility of the entire organization and shall be demonstrated in terms of employee accountability, training, counselling, and monitoring, auditing programs and internal controls, and optimal use of technology.

In order to enhance the value and relevance to the borrowers, this Code shall be under review from time to time.

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