

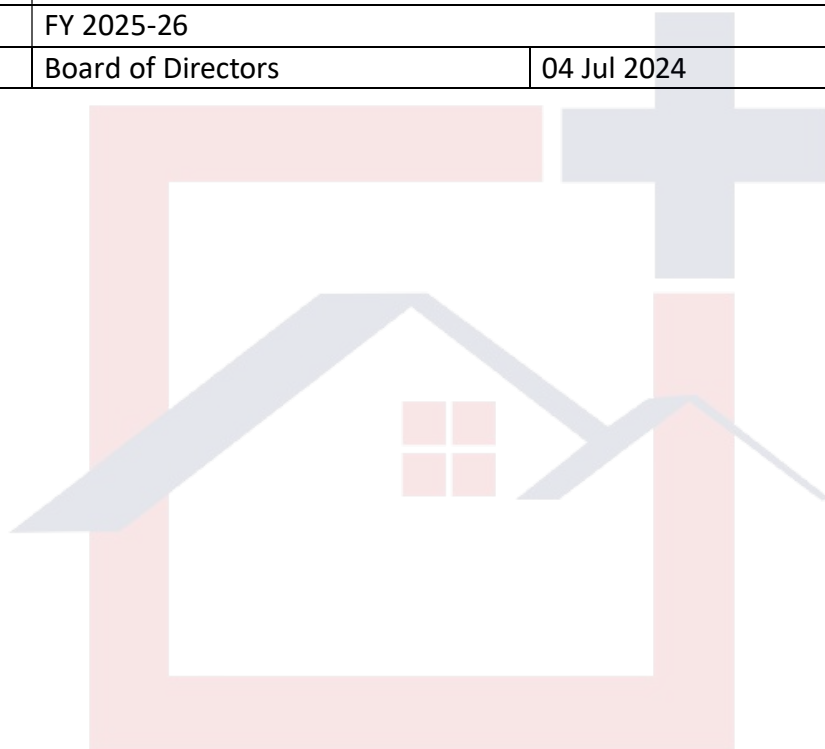


Fair Practice Code

Version 2.0

Approved by Board on 04 Jul 2024

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Home Plus Finance (P) Ltd

INDEX

S. No.	Contents	Page No
1	Introduction	3
2	Objective	4
3	Operating Guidelines	4
4	Loan Appraisal, Terms and Conditions	5
5	Disbursement of loans, including changes in terms and condition	5
6	Guarantors	5
7	Collection and Recovery	6
8	Regulation of Excessive Interest Charged	7
9	Loan Facilities to Physically/Visually Challenged	7
10	Disbursement modes and Penal Charges computation.	7
11	Release of property documents	9
12	Key Fact Statement (KFS)	10
13	Grievance Redressal Mechanism:	11
14	Grievance redressal framework for handling customer complaints / grievances:	12
15	Mandatory display requirements	15

FAIR PRACTICES CODE

Introduction:

Home Plus Finance Private Limited (hereinafter referred to as “ The Company”) is a private limited company incorporated under the provisions of the Companies Act, 2013 and is a Non-Deposit Taking or Holding Non-Banking Financial Company, registered with the Reserve Bank of India, with Regn. No. N-07-00858 on 11th Feb 2020 under current RBI classification as NBFC – Non-Deposit taking Asset Finance Company

The company is engaged in the business of extending loans to (i) entrepreneurs involved in micro, small, and medium enterprises (MSMEs) who have limited access to formal financial services; (ii) employees in the MSME sector working as semi-skilled or skilled laborers; (iii) regular salaried individuals; (iv) small-scale professionals; and (v) customers seeking housing loans across all categories.

This Code has been formulated based on the guidelines issued by the Reserve Bank of India (RBI) on the Fair Practices Code for Non-Banking Financial Companies – Non-Systemically Important, Non-Deposit Taking Companies, as outlined in the RBI Master Direction DNBR.PD.007/03.10.119/2016-17, dated September 1, 2016. In this Master Direction, the RBI has summarized the applicable guidelines for NBFCs by the *Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016*, as amended from time to time. During the financial year 2023–24, the RBI issued several additional guidelines to enhance transparency in fair lending practices. All new RBI guidelines have been incorporated into this Code. The following recent RBI circular also has been included in this Fair Practices Code shortly known as FPC.

- a) Circular: DoR.MCS.REC.28/01.01.001/2023-24 dated August 18, 2023 and DoR.MCS.REC.61/01.01.001/2023-24 dated December 29, 2023, on penal interest/ charges.
- b) RBI/2023-24/60 DoR.MCS.REC.38/01.01.001/2023-24 September 13, 2023 on Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal Loans.
- c) RBI/2024-25/18 DOR.STR.REC.13/13.03.00/2024-25 dt April 2015 on Key Facts Statement (KFS) for Loans & Advances.
- d) RBI/2024-25/30 DoS.CO.PPG.SEC.1/11.01.005/2024-25 April 29, 2024 on charging interest.

This sets Fair Practice standards for the Company to follow when dealing with customers. It provides information to customers and explains how the Company is expected to deal with them on a day-to-day basis.

This policy applies to all customers, including those with any complaints / enquiries as posted on social / any other media and we encourage all customers to reach out to the below platforms as required.

This Policy is displayed on the website of the Company, Notice Board of all Branches for the information of the public. This Policy will be displayed in Vernacular Languages as understood by the Borrower on the notice board of all Branches.

Objective:

The code has been developed with an objective of:

- a) Ensuring fair practices while dealing with customers by developing, training and implementing of Fair Practices Code.
- b) Greater transparency enables customers to have a better understanding of the product and to make informed decisions.
- c) Building customer confidence in the company through a mechanism for constantly receiving feedback/grievances from customers.

Operating Guidelines:

1. Applications for Loans and their processing

- a) Company official language for all communications within the Company or with third parties shall be English / Vernacular Language.
- b) All communications to the borrower shall be in English or the vernacular language
- c) The Company offers financial product of short and medium term financing with or without the security of residential or commercial or vacant land property or any other adequate security primarily to the small and medium enterprises engaged in the business of manufacturing, services and agriculture, self-employed professionals, salaried employees, traders, retailers, businessmen, agents, distributors, companies, corporate and individuals for their requirement relating to expansion of business, working capital needs and or personal needs.
- d) The 'Application Form with checklist of documents' of the Company will include all information and documents that are required to be submitted by the Borrower. Necessary information will be provided by the Company to facilitate the Borrower in making a meaningful comparison with similar terms and conditions offered by other Non-Banking Finance Companies (NBFCs) and taking an informed decision based on the aforesaid comparison.
- e) The 'Application Form with checklist of documents' of the Company also indicates the list of documents required to be submitted by the Borrowers along with the Application form.
- f) The Company has a mechanism of giving an acknowledgement for receipt of Application form to its Borrower for availing loans. Company would inform the Borrower about its decision within reasonable period of time from the date of receipt of all the required information and documents.

2. Loan appraisal and terms/ conditions

- a) Company shall convey in writing to the borrower in English or vernacular language by way of a sanction letter or otherwise, the amount of loan/limit sanctioned along with all the terms and conditions including annualized rate of interest and method of application thereof and shall keep the acceptance of these terms and conditions by the borrower on Company's record.
- b) Any clause relating to penal interest charged for late repayment will be specified in bold in the Loan Agreement.
- c) The Company at the time of sanction/disbursements of loans will furnish a copy of the loan agreement to the borrower.
- d) The company ensures to convey and explain in detail all the terms and conditions of Sanction letter, agreement etc., in the language preferred by the customer.

3. Disbursement of loans, including changes in terms and conditions.

- a) Through its published website or as appropriate if specific to a customer, Company will give Notice to its Borrower(s), of any change in the terms and conditions of the sanction. The company will also ensure that changes in interest rates, fees and charges will be effected only prospectively.
- b) Decision to recall/ accelerate payment or performance under the Agreement will be in consonance with the respective loan Agreement.
- c) The Company will release all securities of its Borrower only on repayment of all dues by such Borrower, or only on realizations of the outstanding amount of the Borrower's availed limit, subject to any legitimate right or lien for any other claim which the Company may have against its Borrower. If such right of set off is to be exercised, the Borrower will be given notice about the same with full particulars about the remaining claims and conditions under which the Company will be entitled to retain the securities till the relevant claim is settled or paid by the Borrower. No-Dues/objection certificate will be issued to the customer on fulfilment of said terms within 15 working days of completion of relevant requirements.

4. GUARANTORS

- a) When a person intends to be a Guarantor for a loan, he/she will be informed about his/her Liability as a Guarantor.

5. PRIVACY AND CONFIDENTIALITY

- a) All personal information of borrower/s shall be treated as private and confidential, even when the borrower/s are no longer customers of the Company and shall be guided by the following principles and policies. We shall not reveal information or data relating to the borrower/s account, whether provided by the borrower/s or otherwise, to anyone, including other companies/entities in our group, other than in the following exceptional cases:

- i) If the information is to be given by law.
- ii) If there is a duty towards the public to reveal the information.
- iii) If our interests require them to give the information (for example, to prevent fraud), but it should not be used as a reason for giving information about borrower/s or borrower/s accounts [including borrower/s name and address] to anyone else, including other companies in the group, for marketing purposes.
- iv) If the borrower/s asks us to reveal the information, or with the borrower/s' permission.
- v) If we were asked to give a reference about borrower/s, we shall obtain his / her written permission before giving it.
- vi) The borrower/s shall be informed of the extent of his / her rights under the existing legal framework for accessing the personal records that we hold about him/her.

6. COLLECTION OF DUES / RECOVERY

- a) Whenever loans are given, we shall explain to the borrower/s the repayment process by way of amount, tenure and periodicity of repayment. However, if the borrower/s does not adhere to the repayment schedule, a defined process under the laws of the land shall be followed for recovery of dues. The process will involve reminding the borrower/s by sending him / her notice or by making personal visits and / or repossession of security, if any.
- b) Our collection strategy will be built on courtesy, fair treatment and persuasion. We will provide borrower/s with all the information regarding dues and shall endeavor to give sufficient notice for payment of dues.
- c) All the members of the staff or any person authorised to represent the Company in collection and/or security repossession shall be adequately trained to deal with the borrower/s properly and shall follow the guidelines set out below:
- d) Borrower/s 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 and if unavailable at his / her residence, at the place of business/occupation.
- e) Identity and authority to represent the Company will be made known to the customer at the first instance.
- f) Borrower/s privacy would be respected.
- g) Interaction with the borrower/s shall be in a civil manner.
- h) Company's representatives shall contact the Borrower/s between 0700 hrs and 1900 hrs, unless the special circumstances of the customer's business or occupation require otherwise.
- i) Customer's request to avoid calls at a particular time or a particular place shall be honoured as far as possible.
- j) All assistance shall be given to resolve disputes or differences regarding dues in a mutually acceptable and orderly manner.

- k) During visits to customers' places for dues collection, decency and decorum shall be maintained.
- l) Inappropriate occasions, such as bereavement in the family or such other calamitous occasions, shall be avoided for making calls/visits to collect dues.

7. General:

- a) Company will refrain from interference in the affairs of its Borrower except for the purposes provided in the terms and conditions of the respective loan agreement (unless new information, not earlier disclosed by the Borrower, which may come to the notice of the Company).
- b) In case of receipt of a request from the Borrower for transfer of Borrowal account, the consent or otherwise, i.e. objection of the Company, if any, is generally conveyed to such Borrower within 21 days from the date of receipt of the Borrower's request. Such transfer will be as per transparent contractual terms in consonance with all the applicable laws.
- c) At present, the company does not have floating-rate term loans. if the company introduces such a product in the future, the company as a policy shall not charge foreclosure charges/pre-payment penalties on the floating rate term loans sanctioned to its borrowers.

8. Regulation of Excessive Interest Charged:

- a) Pursuant to notification no. DNBS.204/CGM (ASR)-2009 dated 2 January 2009 in respect to regulation of excessive interest charged by NBFCs, the Company has laid down appropriate internal principles and procedures in determining interest rates and processing and other charges.
- b) The Company has adopted an interest rate model taking into account cost of funds, margin and risk premium for determining rate of interest to be charged for loans and advances.
- c) The rate of interest to be charged depends much upon the gradation of the risk of borrower viz. the financial strength, business, regulatory environment affecting the business, competition, past history of the borrower etc
- d) The rate of interest will be annualized so that the borrower is aware of the exact rates that would be charged to the account.

9. Loan Facilities to the Physically/Visually Challenged By the company:

- a) The company shall not discriminate in extending products and facilities to physically/visually challenged applicants on the grounds of disability.
- b) The company shall render all possible assistance to such persons for availing of various business facilities and ensure redressal of grievances under the Grievance Redressal Mechanism.

10. Policy on disbursement modes and Penal Charges computation.

- a) **Disbursement and Interest Charging Policy**
 - i) **General Disbursements:**

All disbursements will be made through the online payment mode. Interest will be charged from the date of online approval by the approving authorities of HPFL.

ii) Balance Transfer Cases:

Loan disbursements for balance transfer cases will be made through a bank Demand Draft. Interest will be charged from the date of online approval by the approving authorities of HPFL.

iii) Property Purchase Cases:

In cases involving property purchases, disbursement will be made via a bank Demand Draft issued in favour of the property seller. Interest will be charged from the date of online approval by the approving authorities of HPFL.

b) Policy on Penal charges and penalty on non-complaints

- i) Penal charges should be levied only for material non-compliances.
- ii) It should be applied uniformly across all loan products of the company without discrimination.
- iii) The penal charges should not compound or capitalise.
- iv) Applicable Penal Charges should be disclosed in the loan documents (MITC/KFS) and on the company website.
- v) Individual borrowers (non-business) are not to be charged more than non-individuals for similar defaults.
- vi) Such penal charges are tabulated below.

Note: Applicable taxes are above these charges.

Sl No	Non-Compliance Event	Charge Type	Applicable Amount
1.	ECS/Auto debit/NACH/Cheque bounce	Bounce Charges	₹500
2.	Swapping ECS to cheque	Swapping Charges	₹500
3.	Visits for collection of dues to the company.	Collection Charges	
4.	Payment of Company Dues in the form of Cash	Cash Handling	Nil for upto ₹50,000/- and 1% on amount paid more than ₹50,000/-
5.	Default on EMI / PEMI	Delayed Payment Charges	Up to 36% p.a. (non-compounded) from the date of respective default.

6.	Delay in collection of loan closure documents	Custodial Charges	Nil for first 45 Days. Thereafter ₹1000/month
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Note: Applicable taxes are above these charges.

11. PROCEDURE - REGARDING RELEASE OF PROPERTY DOCUMENTS ON REPAYMENT/SETTLEMENT OF LOANS

- a) The loan taken by the borrower will be considered closed only upon full repayment of the principal amount of the Loan, interest thereon and/or all other Dues payable in terms of the Loan Agreement executed between the borrower and “the Company”).
- b) Once the Loan Account is fully satisfied, the borrower will need to request loan closure and the issuance of a No Dues Certificate (NDC) to the nearest Branch Office of the Company. Further, the borrower also specifically requests if he/she wish to receive the property documents from the Registered Office, instead of collecting them from the branch where the loan account was serviced.
- c) The Company will issue the NDC and handover all the movable/Immovable property documents submitted by the borrower at the time of disbursal back to the borrower either at the Branch Office from where the loan was serviced or from the Registered Office, which may be requested by the borrower, within 30 days from the date of such request made by the borrower. If the company is not able to handover the said documents to the customer by reasons under the control of the company, within the specified period, Penal charges of ₹5000 per day will be paid by the company to the borrower.
- d) The borrower shall collect the said original documents within 30 days from the date of intimation by the company for collection of documents. After that the Company shall not be responsible for any delay in the subsequent release of documents.
- e) The original movable/immovable property documents shall be prima facie handed over to the borrower himself/herself by the Branch/ Registered Office of the Company. However, there are exceptions when the Company may provide these documents to other individuals, as follows:
 - i) **Case I:** Demise of the Borrower(s): In the event of the demise of the sole or joint borrower(s), the original property documents shall be handed over to the legal heirs of the deceased borrower(s) in the event, where the legal heirs shall show death certificate of borrower along with government approved KYC in which borrower’s name is mentioned and the same also be checked by the Company.
 - ii) **Case II:** Inability of the Borrower to Visit the Branch of the Company: If the borrower is unable to personally visit the branch office of the Company, then the original property documents shall be handed over to the borrower's legal representative or nominee of loan account, when the legal representative or nominee show valid evidence of this behalf and the same also be checked by the Company.

12. Key Fact Statement (KFS)

- a) A Key Fact Statement (KFS) is a document that provides a clear and concise summary of the most important terms and conditions of a loan. It is designed to inform borrowers of the loan's key features before committing to it.
- b) The KFS full form stands for "Key Fact Statement." This document outlines the loan amount, interest rates, repayment schedule, fees, and other essential details related to the loan. Essentially, it serves as a way to make borrowers fully aware of the financial commitments they are about to undertake.
- c) Lenders or financial institutions often provide the key fact statement to ensure transparency and protect borrowers from unexpected charges or hidden terms. By reviewing the KFS, borrowers can make more informed decisions about whether the loan suits them.
- d) **Importance of KFS:** The Key Fact Statement is essential for several reasons. Let's break down its importance in simple terms.
 - i) A KFS clearly outlines the primary terms and conditions of a loan. These include the loan amount, interest rate, tenure, EMI amount, processing fees, prepayment penalties, and more. With this document, borrowers can easily understand how much they will be paying and what the loan will cost them over its entire duration.
 - ii) For instance, if someone is taking out a home loan, the KFS will mention the total loan amount, interest rate (fixed or floating), repayment period, and additional charges. It helps the borrower to avoid surprises down the road.
 - iii) It helps in Comparing Loan Offers
 - iv) A Key Fact Statement is especially useful when comparing different loan offers. Since it presents the key details of the loan in a uniform format, borrowers can quickly compare interest rates, fees, and other essential elements. This comparison is crucial in helping the borrower choose the best loan option based on their financial situation and preferences.
 - v) For example, if you are looking for a MASE loan, the KFS of multiple lenders will allow you to see which loan offers the most favourable interest rates and the lowest fees. This way, borrowers can make well-informed decisions and avoid unnecessary cost.
 - vi) It prevents Hidden Charges or Fees
 - vii) Many borrowers find themselves paying more than they expected due to hidden charges or terms that weren't clearly communicated at the time of loan application. The KFS is an essential tool in preventing such situations. Since it outlines all the charges related to the loan upfront, borrowers are less likely to face unexpected costs.
 - viii) For instance, some loans come with prepayment penalties, which means that if a borrower decides to repay the loan earlier than agreed, they might have to pay extra fees. The KFS explicitly mentions such penalties, helping the borrower plan their finances accordingly.
 - ix) It ensures Transparency and Fairness
 - x) The Key Fact Statement ensures that lenders transparently provide all the necessary information about the loan. This is important because it helps borrowers avoid being misled or misinformed. With a clear breakdown of loan details, borrowers can be more confident that the loan terms are fair and that no hidden clauses could cause trouble later on.
 - xi) Makes Borrowing Safer

- xii) By ensuring that all key loan details are easily accessible and understandable, the KFS makes the borrowing process safer. It empowers borrowers to make decisions that are aligned with their financial goals and capabilities. This is particularly important in a country where loans are often used for large financial commitments, such as buying a home or starting a business.
- xiii) When borrowers are fully informed about their loan terms, they are less likely to take on debt they cannot repay, thus avoiding financial stress or long-term problems. The KFS also ensures that the lender is complying with regulations set by financial authorities to protect borrowers.
- xiv) Simplifies the Loan Process
- xv) The KFS simplifies the entire loan process. Instead of reading through lengthy documents filled with technical terms, borrowers can refer to the KFS to get a quick overview of the loan. This helps reduce confusion and speeds up the decision-making process.
- xvi) The Key Fact Statement serves as a snapshot of all the important details, saving time and effort for both the borrower and the lender. In a fast-paced environment where many people need quick access to loans, the KFS plays an important role in making the loan process more efficient.
- e) **Key Elements of a Key Fact Statement:** A Key Fact Statement typically includes the following important details:
 - i) Loan amount
 - ii) Interest rate(Annual percentage rate)
 - iii) EMI amount
 - iv) Loan tenure
 - v) Processing fees
 - vi) Prepayment charges
 - vii) Late payment fees
 - viii) Total repayment
 - ix) Insurance or other additional charges
- f) KFS shall be provided with a unique proposal number and shall have a validity period of at least three working days for loans having a tenor of seven days or more, and a validity period of one working day for loans having tenor of less than seven days.
- g) Where loan borrowing is common for funding various needs, understanding the Key Fact Statement is vital. Borrowers should carefully read the KFS to ensure they are fully aware of the costs, repayment terms, and additional charges.
- h) The KFS not only protects the borrower's interests but also helps make the borrowing process simpler, safer, and more transparent. A little time spent understanding the Key Fact Statement can save you from future financial challenges.

13. Grievance Redressal Mechanism:

- a) In the present competitive scenario, excellent customer service is an important tool for sustained business growth. Customer complaints are part of the business life in any corporate entity.
- b) At Company, customer service and satisfaction are our prime focus. The Company believes that providing prompt and efficient service is essential not only to attract new customers, but

also to retain existing ones. Company has come up with a lot of initiatives that are oriented towards providing a better customer experience and an efficient complaints redressal mechanism with a view to providing enhanced experience to our customers.

- c) In order to make Company's redressal mechanism more meaningful and effective, a structured system has been built. This system would ensure that the redressal sought is just and fair and is within the given framework of rules and regulation.

14. Grievance redressal framework for handling customer complaints / grievances:

a) Stage 1 – Grievance Redressal at Branch level

The customer may register his/her query/ complaint to Company which shall be addressed by the Branch Manager by email or through phone. The customer can also personally visit the branch office and make the complaint in writing to the Branch Manager in the complaint register available in the branch. On registering the complaint customer shall be provided a Reference number for the complaint lodged with Company for future correspondence. The Branch Manager shall resolve the complaint, or send a requisition to the customer seeking more time within 14 working days from the date of receipt of the complaint.

b) Stage 2 - Grievance redressal framework at Head Office

If the customer is not satisfied with resolution provided by the local branch office, the customer may provide feedback or send in their complaint using the following channels between **9:00 am and 5.00 pm, from Monday to Friday (except on national holidays)**. The customer care department shall resolve the complaint, or send a requisition to the customer seeking more time within 7 working days from the date of receipt of the complaint at customer care department.

Call our Customer Care Helpline 0452-4347489.

Email us to reachus@homeplusfinance.co.in

Write to us at the below mentioned address

CUSTOMER CARE DEPARTMENT

HOME PLUS FINANCE PRIVATE LIMITED

Shop No.C8, 4th Floor, West Side, Door No 564/1,

12th East Cross Street, Anna Nagar, Madurai – 625020.

c) Stage 3 – Escalation

In case the complaint is not resolved within given time or if the customer is not satisfied with the solution provided, the customer can approach the Complaints Redressal Officer. The Complaint Redressal Officer shall resolve the complaint, or send a requisition to the customer seeking more time within 7 working days from the date of receipt of the complaint to him. The name and contact details of the Complaint Redressal Officer is as follows:

MANI RAJARAM

HOME PLUS FINANCE PRIVATE LIMITED,

Name:

C8 Door No 564/1, 12th East Cross Street , Anna nagar, Madurai -625020

Email id – manirajaram@homeplusfinance.in

Ph: 0452-4347489

d) Stage – 4 – Escalation with Ombudsman

If the customer is not satisfied with resolution provided by the company or at any stage of complaint redressal process with the company, the customer at his discretion may approach Banking Ombudsman. The Ombudsman Scheme for Non-Banking Financial Companies, 2018 and its salient features are briefed at the following paragraphs. A detailed write-up is also placed as Annexure 1.

Salient Features.

In case of grievance, the customer may prefer a written complaint with the Regional office of the Company, in respect of the following, provided the matter is not referred to any court or forum:

- Interest/Deposit not paid OR paid with delay
- Cheque not presented OR done with delay
- Not conveyed the amount of loan sanctioned, terms & conditions, annualised rate of interest, etc.
- Notice not provided for changes in the agreement, levy of charges
- Failure to ensure transparency in the contract/loan agreement
- Failure/ Delay in releasing securities/ documents
- Failure to provide legally enforceable built-in repossession in contract/ loan agreement
- RBI directives not followed by NBFC
- Guidelines on Fair Practices Code not followed

At the end of one month:

- If reply is not received from the Company within one month, OR,
- the customer remain dissatisfied with the reply,
- The customer may file a complaint with NBFC Ombudsman (not later than one year after the reply from the Company)

At Ombudsman Office:

- Proceedings before Ombudsman are summary in nature;
- Settlement thro' conciliation;
- If not reached, issue Award/Order;
- If customer is not satisfied with the decision of Ombudsman, he may prefer an appeal with the Appellate Authority namely Deputy Governor, RBI.
- NBFC may go in for appeal within 30 days from the date of receipt of the letter of Award;
- This is an Alternate Dispute Resolution Mechanism and the customer is at liberty to approach any other court/forum/authority for the redressal at any stage.
- Name and address of the NBFC Ombudsman are given below:
 - **Name and address of the NBFC Ombudsman:**

Centre	Address of the Office of NBFC Ombudsman	Area of Operation
Chennai	C/o Reserve Bank of India Fort Glacis, Chennai 600 001 STD Code: 044 Telephone No : 25395964 Fax No : 25395488 Email : nbfcchennai@rbi.org.in	Tamil Nadu, Andaman and Nicobar Islands, Karnataka, Andhra Pradesh, Telangana, Kerala, Union Territory of Lakshadweep and Union Territory of Puducherry

	C/o Reserve Bank of India RBI Byculla Office Building	Maharashtra, Goa, Gujarat, Madhya Pradesh,
Mumbai	Opp. Mumbai Central Railway Station Byculla, Mumbai-400 008	Chhattisgarh, Union Territories of Dadra and Nagar Haveli, Daman and Diu
	STD Code: 022	
	Telephone No : 23028140 Fax No : 23022024	
	Email : nbfc Mumbai@rbi.org.in	

	C/o Reserve Bank of India Sansad Marg New Delhi -110001	Delhi, Uttar Pradesh, Uttarakhand, Haryana, Punjab, Union Territory of Chandigarh
New Delhi	STD Code: 011	
	Telephone No: 23724856 Fax No : 23725218-19	Himachal Pradesh, and Rajasthan and State of Jammu and Kashmir
	Email : nbfc New Delhi@rbi.org.in	

	C/o Reserve Bank of India 15, Netaji Subhash Road Kolkata-700 001	West Bengal, Sikkim, Odisha, Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Bihar and Jharkhand
Kolkata	STD Code: 033	
	Telephone No : 22304982 Fax No : 22305899	
	Email : nbfc Kolkata@rbi.org.in	

15. Mandatory display requirements

- The company has the following in all our Regional Offices and branches:
- Fair Practices Code
- Appropriate arrangement for receiving complaints and suggestions.
- Display of the name, address and contact number of the Complaint Redressal Officer. The process of the complaint's redressal unit will ensure closure of all complaints to the customers' satisfaction.
- They will ensure that the complaint is escalated to the appropriate levels in case it is not possible to resolve at his/her level. Whilst the ultimate endeavor is to ensure that the Company

reaches a situation where its customers don't have to complain to senior management to get an effective redressal the Company has put in a robust mechanism to handle these complaints, review them from a point of view of understanding reasons for the complaint and for the escalation and working on prevention of recurrence thereof.

16. Time frame

- a) To register complaints, the customers may use any of the channels mentioned above (refer to point (a) on Internal Machinery to handle the customer complaints). If the complaint has been received in writing, the Company will endeavour to send an acknowledgement/response within a week. Once the matter is examined, the Company endeavours to either send a final response to the customer or an intimation seeking more time within one month upon receipt of the complaint.
- b) Complaints that are received at the Company's end will be seen in the right perspective and will be analysed from all possible angles.
- c) The communication of the Company's stand on any issue will be provided to the customers. Complaints that require some time for examination of issues involved will be acknowledged promptly.
- d) The aforesaid policy will be reviewed periodically /revised as and when there are any new changes incorporated by the Company in handling complaints/grievances of the customer, which includes the introduction of new grievance channels, if any.

Salient features of Integrated Ombudsman Scheme – 2021
(Inserted by Notification Ref. CEPD. PRD. No. S544/13.01.001/2022-23 dated August 5, 2022)

Consumer Education and Protection

The Reserve Bank's approach to customer service focusses on protection of customers' rights, enhancing the quality of customer service, spreading awareness and strengthening the grievance redressal mechanism in banks and also in the Reserve Bank.

Integrated Ombudsman Scheme, 2021

The Reserve Bank - Integrated Ombudsman Scheme, 2021 was launched on November 12, 2021 in virtual mode by Hon'ble Prime Minister Shri Narendra Modi. The scheme provides cost-free redress of customer complaints involving deficiency in services rendered by entities regulated by RBI, if not resolved to the satisfaction of the customers or not replied within a period of 30 days by the regulated entity.

Some of the salient features of the Integrated Ombudsman Scheme, 2021 are:

- It will no longer be necessary for a complainant to identify under which scheme he/she should file complaint with the Ombudsman.
- The Scheme defines 'deficiency in service' as the ground for filing a complaint, with a specified list of exclusions. Therefore, the complaints would no longer be rejected simply on account of "not covered under the grounds listed in the scheme".
- The Scheme has done away with the jurisdiction of each ombudsman office.
- A Centralised Receipt and Processing Centre has been set up at RBI, Chandigarh for receipt and initial processing of physical and email complaints in any language. The responsibility of representing the Regulated Entity and furnishing information in respect of complaints filed by customers against the Regulated Entity would be that of the Principal Nodal Officer in the rank of a General Manager in a Public Sector Bank or equivalent.
- The Regulated Entity will not have the right to appeal in cases where an Award is issued by the ombudsman against it for not furnishing satisfactory and timely information/documents.

Responsibility of PNO/NO

- Regulated entities should appoint a Principal Nodal Officer (PNO) with a rank of GM or officer of equivalent rank.
- PNO will be the central point of contact between the Ombudsman and the Regulated Entity (RE).
- Complaints shall go directly to REs upon registration in the CMS Portal/ CRPC and get assigned to PNO as well as Nodal Officer (NO).
- PNO can reassign complaints to alternate NO if any NO is on leave / inactive.

Resolution of complaint

- Ombudsman to promote settlement of complaint by agreement between the complainant and the Regulated Entity through facilitation or conciliation or mediation.
- Regulated Entity to submit its reply to the Ombudsman for the averments in the complaint enclosing the relevant documents, within 15 days.
- Ombudsman may grant further time at his/her discretion, at the request of the Regulated Entity.
- If RE fails to submit its reply and documents within the time stipulated, the Ombudsman may proceed ex-parte and pass appropriate Order or Award.
- If the complaint is not resolved through facilitation, the Ombudsman may exercise other appropriate methods including a meeting of the complainant with RE for resolution of the complaint by conciliation or mediation.

Award by the Ombudsman

- An Ex-parte Award will be issued for non-furnishing of information within stipulated time by Regulated Entities.
- If complaint is not resolved through facilitation or conciliation or mediation, based on documents and after giving a reasonable opportunity to both the parties, an Award will be passed.
- In the Award passed, the maximum compensation exclusive of the amount involved in the dispute will not be, an amount which is more than the actual loss suffered by the complainant, or twenty lakh rupees whichever is lower.
- Maximum compensation of Rs. 1 lakh to the complainant for the loss of the complainant's time, expenses incurred by the complainant, harassment and mental anguish suffered by the complainant.

Appellate Authority

- Appellate Authority will be Executive Director, CEPD.
- No right of appeal to Regulated Entities for Awards issued for violation of provisions related to not furnishing of appropriate and satisfactory information within stipulated time.
- The party aggrieved by the Award can file an appeal, within thirty days of the date of receipt of communication of Award or rejection of the complaint.

Regulated Entity to display salient features of the Scheme

- Display- at all branches & places of business
 - the names and contact details (Telephone / mobile number and E-mail ID) of PNO
 - the details of complaint lodging portal of Ombudsman (<https://cms.rbi.org.in>)
 - The salient features of the scheme – English, Hindi, Regional Language
 - Copy of the scheme shall be available with one designated officer in each branch.
 - Copy of the Scheme shall be prominently displayed and updated on the website.