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<b>Document Name</b>	Fair Practices Code	<b>Version</b>	IREP/POL/16
<b>Authorized By</b>	Board of Directors	<b>Date of Implementation</b>	August 2020
<b>Review Tenure</b>	1 Year	<b>Next Review Date</b>	August 2021
<b>Illustrative Review Trigger</b>	<ul style="list-style-type: none"> <li>• Changes in delegation by senior management/person authorized by Board</li> <li>• Changes in policy and procedures</li> <li>• Amendment as per Board Resolutions</li> <li>• Changes in statutory requirements/law</li> </ul>	<b>Review/ Amendment Responsibility</b>	Head of Compliance/Risk Head/Business Head

## **CONTENTS**

<b>Section</b>	<b>Particulars</b>	<b>Page No.</b>
<b>1.</b>	Introduction	<b>3</b>
<b>2.</b>	Applications for loans and their processing	<b>3</b>
<b>3.</b>	Loan appraisal and terms/conditions	<b>4</b>
<b>4.</b>	Disbursement of loans including changes in terms and conditions	<b>5</b>
<b>5.</b>	Financial Difficulties	<b>5</b>
<b>6.</b>	Collection of Dues	<b>5</b>
<b>7.</b>	Information Secrecy	<b>6</b>
<b>8.</b>	Regulation of excessive interest	<b>6</b>
<b>9.</b>	Grievance Redressal Mechanism (GRM)	<b>7</b>
<b>10.</b>	Periodic Review	<b>8</b>

## 1. Introduction

FAIR PRACTICES CODE ("FPC") has been devised by IREP Credit Capital Pvt. Ltd (IREP) in line with the Master Circular 'Fair Practice Code' issued by the Reserve Bank of India on July 01, 2015 - RBI/2015-16/16 DNBR (PD) CC.No.054/03.10.119/2015-16 with an aim to achieve synchronization of best practices when the company is dealing with all the stakeholders viz Customers, employees, vendors in India. It is IREP's endeavor towards stakeholders which includes a commitment to the communities in which their businesses operate and also includes a responsibility for ensuring that those businesses operate according to the highest legal and ethical standards.

This Fair lending practices applies across all aspects of the operations including marketing, loan origination, processing, and servicing and collection activities. IREP's commitment to Fair Practice Code shall be demonstrated in terms of employee accountability, monitoring and auditing programs, training and technology. This Fair Practices Code applies to all categories of products and services offered/to be offered by IREP. The guidelines inter alia, covered general principles on adequate disclosures on the terms and conditions of a loan and also adopting a non-coercive recovery method.

### **Key Aspects:**

**The essence of FPC lies in the following and IREP would strive to follow them:**

- Ensuring the fair practice in dealing with customer and also to comply with RBI/statutory guidelines on fair practice on time to time basis
- To provide assistance to customers in understanding of the product, applying for loans, taking informed decision, making them aware of the terms and conditions,
- To attempt in good faith to resolve any disputes or differences with customers
- Greater transparency in dealing with borrowers
- To comply with all the regulatory requirements in good faith
- Enhancing customer confidence and supporting them by establishing a fair relationship with the customer
- Ensure compliances relating to Indian laws relating to fair practices as may be prescribed under IREP's policies and practices.
- Robust customer grievances redressal mechanism

**The Code will be applicable to all the categories of products and services offered by the Company and also apply to our related operations such as customer sourcing, loan processing, loan servicing and collection activities.**

## 2. Applications for loans and their processing:

All communications to the borrowers shall be provided in the in English language and shall be explained in language as understood by the borrower, if requested by borrower. Incase, the borrower is not conversant in English language, the borrower shall provide a letter in the regional language that he has understood the terms and conditions of the application form and he shall abide by it. Further incase the borrower is going to use his thumb print or sign in any other language other than English, he shall provide an undertaking for the same. The Application form 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 and also may indicate the documents required to be submitted by the borrower. As part of the process, IREP provides all necessary information to the customer along with the term sheet/application as the case may be like fees/Charges, if any, payable for processing, the amount of such fees refundable in the case of non-acceptance of application, pre-payment options and any other matter which effects the interest of the customer so that informed decision can be taken by the customer. Along with the details of relevant products, the borrower would also be explained about an end to end details of the processes involved till sanction, disbursement and closure of the loan. Loan application form shall enlist the list of mandatory documents required to be submitted by the borrower, along with the application form, while applying for any of the credit facilities offered by the company. The Customer would be informed of the names and the phone numbers of office and the persons whom he can contact for the purpose of loans to suit his needs. IREP shall define the time frame within which the loan applications/ loan agreement shall be disposed of shall be indicated in the acknowledgement/ term sheet or similar document.

### **3. Loan appraisal and terms/conditions and sanction**

IREP shall convey in writing/orally to the borrower in English or in vernacular language /the language as understood and confirmed by the borrower, the fate of the loan application/ loan agreement by means of sanction letter or otherwise. In case of sanction of loan, the sanction letter shall contain the amount of loan to be sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof.

The acceptance of the terms and conditions communicated by the borrower shall be preserved by IREP on its records and copy of the same shall be provided to the borrower upon its request.

IREP should convey in writing to the borrower in the vernacular language or in any language as understood by the borrower and conditions including monthly/quarterly/annualized rate of interest (as the case maybe) and method of application thereof and keeps the acceptance of these terms and conditions by the borrower on its record. IREP shall furnish a copy of the loan agreement either in English or language as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement if asked by the Borrower. IREP 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 its notice. If the customer is found indulging into activities which are harmful to the environment, public health, safety, non-committed to compliance with applicable national, state, and local labor laws; non supportive to the payment of competitive wages and benefits to employees and not providing a safe and healthy workplace in conformance with national and local laws; or finds that funds are being utilized for child or forced labor, the loan application shall be rejected.

IREP shall convey in writing to the customer by means of sanction letter or otherwise, the amount of loan, details of the default interest / penal interest rates and the charges payable by the customers, terms and conditions and other caveats governing the credit given by IREP, all other information which is relevant from the point of view of the transaction and all the parties involved.

All the fees / charges / interest would be payable as per mutual agreement. IREP shall mention the penal interest, if any, charged for late repayment in the bold in the sanction letter and loan agreement.

IREP shall furnish copies of security creation documents/ agreements along with a copy of each of the enclosures quoted in each of the security creation documents/ agreement to the borrower, at the time of execution of the loan agreement including the enclosures /disbursement of loan in English or in vernacular language /or the language as understood by the borrower.

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

IREP shall give notice to the customer in English or in vernacular language/ the language as understood by the borrower of any changes in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Decision to recall / accelerate payment or performance under the agreement shall be in consonance with the loan agreement. Further IREP 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 IREP may have against borrower. Further if any such right of set off is exercised, the borrower shall be given notice about the same with full particulars about the remaining claims and the conditions under which IREP is entitled to retain the securities till the relevant claim is settled/paid.

IREP shall also ensure that Post disbursement supervision is constructive and the genuine difficulties which the customer may face is given due consideration. Any Decision to recall / accelerate payment or performance under the agreement shall be in consonance with the loan agreement and only after giving notice to customers.

In case of receipt request from the borrower for transfer of account, should be received in writing from. In case of transfer of borrower account the consent or otherwise i.e. objection of IREP, if any, shall be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per contractual terms entered into with the borrower and in consonance with statutes, rules, regulations and guidelines as may be applicable from time to time. 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 company is entitled to retain the securities till the relevant claim is settled/ paid.

All securities pertaining to the loan 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 the Company may have against the borrower.

#### **5. Financial Difficulties**

IREP shall consider cases of financial difficulty sympathetically and positively. The customer shall usually identify problems first and should let IREP know as soon as possible. IREP may request for additional financial information /commitments to help work together to understand the customer problems.

#### **6. Collection of Dues**

If the customer does not adhere to the repayment schedule, a defined process in accordance with the laws of the land shall be followed for recovery of dues. This process shall involve timely reminders and follow-up with the customer. IREP collection policy is built on courtesy, fair treatment and persuasion. It believes in building customer

confidence and strive hard long-term relationship and would put in best efforts to achieve them.

Pre-payment options may also be available to the customer and the penalty payable shall be as prescribed by RBI from time to time.

IREP in the matter of recovery of loan, shall resort only to remedies which are legally and legitimately available to it. For recovery of loans or for any interaction with the Borrowers or its family members, IREP to ensure:

- The employees shall be appropriately dressed in a formal attire and no causals during any visit to the borrower.
- The employees shall not indulge in any kind of misbehaviour while interacting with the borrowers and shall talk politely, address the clients respectfully and in no circumstance shall talk harshly, loudly or use any threat, abusive or disrespectful language. The employee shall not show any aggression and shall not indulge in confrontation, altercation with client or family members.
- The employees shall keep in mind the appropriate timing to visit clients' house for loan related work..
- The staffs shall not visit clients on inappropriate occasions such as sickness, death etc.
- IREP shall provide induction trainings as well as classroom trainings wherever required to all the staffs on Fair Practice code, Code of Conduct, Staff Code of Conduct and Client Protection principle to ensure respectful treatment of clients and fair collection practices.

IREP shall ensure that the staff is adequately trained to deal with the customers in appropriate manner.

## **7. Information Secrecy**

All personal information of the customer would be confidential and would not be disclosed to any third party unless agreed to by the customer in writing. The term 'Third party' excludes all Law Enforcement Agencies, Credit Information Bureau, Reserve Bank of India, other banks and financial institutions and any other State, Central or any other regulatory body.

Customer information would be revealed only under the following circumstances, namely;

- (i) If IREP is compelled by law
- (ii) If it is in the Public Interest to reveal the information
- (iii) If the interest of IREP requires disclosure.

## **8. Regulation of excessive interest:**

The Board adheres to interest rate framework taking into account relevant factors such as, cost of funds, margin and risk premium, etc. and determine the rate of interest to be charged for loans and advances.

The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

The rate of interest should be annualized rates so that the borrower is aware of the exact rates that would be charged to the account.

Boards shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges.

## **9. Grievance Redressal Mechanism (GRM):**

For IREP, satisfaction of customer is always the primary focus and hence IREP believes in maintaining strong relationships with its customers by providing best services to its customers/borrowers and understands the importance of addressing complaints or grievances in an efficient manner. The Company has a robust grievance redressal mechanism to resolve customer disputes, and also to attract new customer with highly fair and transparent governance system. The Board of Directors of IREP has laid down the appropriate GRM within the organization to resolve disputes arising in this regard. Such a mechanism ensures that all disputes arising out of the decisions of the company are heard and disposed of at least at the next higher level.

IREP has developed mechanism to resolve the customer grievances/complaints as follow.

IREP shall endeavor to resolve all the customer disputes within 15 working days from the date of receipt of the disputes at the first stage itself.

IREP has multiple channels of communication and following are modes through which customers can raise a complaint with us;

- Phone : +91 2244451086
- Email : grievanceredressal@irepglobal.com
- Address : Unit 01A104-A, 1st Floor, WeWork Enam Sambhav, C-20, 'G' Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra

The Compliance Officer to be the Grievance Redressal Officer.

If the customers are not satisfied with the resolution provided on their complaints, they may escalate their complaint to the 'Grievance Office, in writing/call/email, at the below mentioned address:

- Name: Ketaki Prasad Satam
- Phone: +91 2244451086
- Email: compliance@irepglobal.com
- Address : Unit 01A104-A, 1st Floor, WeWork Enam Sambhav, C-20, 'G' Block, Bandra-Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra .

In case resolution is not provided within 7 days then escalation may go to CEO/MD on below email/call/ office address

- Name: Mr. Naresh Naik  
Phone: +91 2244451086
- Email : naik@ireglobal.com
- Address : Unit 01A104-A, 1st Floor, WeWork Enam Sambhav,
- C-20, 'G' Block, Bandra-Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra

Within 5 working days of second escalation/complaints, resolutions/adequate response shall be provided to customer.

Complaints that are received by IREP shall be seen in the right perspective and would be analyzed from all possible angles.

IREP shall display on its registered office and branches, website, KYC form the contact details of the grievance email id which can be approached for resolution of complaints against the company.

IREP shall also display contact details of the Regional Office of Department of Non-Banking Supervision of the Reserve Bank Of India under whose jurisdiction the registered office of Company falls, which can be approached if the complaint/ dispute is not redressed within a period of one month by the Grievance Redressal Committee of Company.

"Pursuant to RBI guideline (RBI/2017-18/133 DNBR.PD.CC.No 091/03.10.001/2017-18 and RBI/2015-16/16 DNBR (PD) CC.No.054/03.10.119/2015-16) read with CEPD Notification No. CEPD.PRS.No. 4535/13.01.004/2018/19 dated April 26, 2019 the Company has appointed Nodal Officers/Principal Nodal Officer.

The Nodal Officers/Principal Nodal Officer will have the following responsibilities, -

- Representing the company and furnishing information to the Ombudsman and the Appellate Authority in respect of complaints filed against the company.
- Coordinating and liaising with the Customer Education and Protection Department (CEPD), RBI, Central Office. The name and contact details of the Nodal officer, along with the name and contact details of the Ombudsman have been displayed at our branches and is hosted on the company's website.

The compliance officer of the Company shall be responsible monitoring the email address of the grievance redressal division as designated by the Company for the purpose of registering complaints by customers.

#### **10. Periodic Review:**

The Board of Directors of the company shall periodically review the compliance of Fair Practices Code and the functioning of the Grievance Redressal Committee.

A consolidated report of such reviews may be submitted to the board at regular intervals, as may be prescribed by it.

Fair Practice Code as approved by the board shall be put in English on the web-site of the Company.

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