

**GROWTH SOURCE FINANCIAL TECHNOLOGIES PRIVATE LIMITED**

**Fair Practices Code**

**Version 1.1**

## **Fair Practices Code**

### **Preamble**

Growth Source Financial Technologies Private Limited ("GSFTPL"/ "the Company") endeavors to formulate policy on "Fair Practices Code" (FPC). The Reserve Bank of India (RBI) has issued directives on Fair Practices Code for Non-Banking Financial Companies (NBFCs) thereby setting standards for fair business and corporate practices while dealing with their customers vide Circular No. DNBS (PD) CC No.80/03.10.042 /2005-06 of September 28, 2006, RBI/2010-11/25DNBS (PD) CC No.185/03.10.042 /2010-11 dated July 1, 2010, RBI/2011-12/470 dated March 26, 2012 and RBI /2012-13/416 dated February 18, 2013 and Chapter V of the RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 September 01, 2016 (as modified, amended and updated from time to time, the "FPC").

It is, and shall be, our policy to make credit products available to all qualified applicants without discrimination on the basis of race, caste, colour, religion, sex, marital status, age or handicap.

Our policy is to treat all the clients consistently and fairly. Our employees will offer assistance, encouragement and service in a fair, equitable and consistent manner. We will also communicate our Fair Practices Code to our customers by placing it on the company's website.

We will ensure that the implementation of the Fair Practices Code is the responsibility of the entire organization. The Company's Fair lending practices shall apply across all aspects of our operations including marketing, loan origination, processing, servicing and collection activities. Our commitment to Fair Practice Code would be demonstrated in terms of employee accountability, monitoring and auditing programs, training and technology.

The Company's Board of Directors and the senior management team is responsible for establishing practices designed to ensure that our operations reflect our strong commitment to fair lending and that all employees are aware of that commitment.

### **The Fair Practices Code applies to the following areas:**

- Applications for loans and their processing
- Loan appraisal and terms/conditions
- Disbursement of loans including changes in terms and conditions
- Advertising and Marketing
- General Provisions
- Interest Rate Policy
- Responsibility of Board of Directors
- Grievance Redressal Mechanism

## 1. **Application for Loans and their processing**

- All communications to the borrower shall be in English or vernacular language or a language as understood by the borrower.
- Loan application forms of the Company will include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other Non- Banking Financial Companies (NBFCs) can be made and informed decision can be taken by the prospective borrower.
- The loan application form shall indicate the documents required to be submitted with the application form. Indicative list of KYC documents such as address proof, Identity proof, income proof etc. will be submitted together with the duly completed application form.
- We shall give acknowledgement for receipt of all loan applications. An indicative time frame within which loan applications will be disposed of will be indicated in the acknowledgment.

All loans sanctions are subject to completion of credit appraisal and verification procedures. The applications that do not meet the requisite criteria are declined. The loan status whether a sanction or a decline is promptly communicated to the customer in writing or verbally.

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

- Loan applications are subject to the credit appraisal process followed at Growth Source Financial Technologies Private Limited (GSFTPL).
- At the time of loan sanction, a sanction letter indicating the loan amount sanctioned, method of application of that loan amount, the annualized rate of interest applicable to the borrower, processing fees, loan tenor, Equated Monthly Instalment (EMI) payable, other applicable fees and charges and other details as applicable, shall be conveyed to the loan applicant in writing in the vernacular language as understood by the borrower.
- GSFTPL shall mention the penal interest / liquidated damages / additional interest to be charged for default or late payment of dues '**in bold**' in the loan / facility agreement, besides mentioning prepayment penalty.
- The loan disbursement process would be initiated on receiving the written acceptance of such terms and conditions as mentioned in loan / facility agreement. This written consent of the applicant shall be retained by GSFTPL and maintained in its records. A copy of the loan agreement shall be furnished to all borrowers at the time of disbursement of loans or shall be sent along with the welcome kit.

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

- GSFTPL shall give notice to the borrower in English or vernacular language or language as understood by the borrower through electronic means including but not limited to e-mail, fax or in writing, of any changes to the terms and conditions, including disbursement schedule, interest rates, service charges, prepayment charges etc.
- For account specific charges, the changes will be communicated individually to the borrower through electronic means including but not limited to e-mail, fax or in writing. Other charges such as bounce cheque charges, late payment charges, cheque swap charges, statement of account, document retrieval charges, prepayment charges, re-booking charges, re-pricing charges, cancellation charges, PDC replenishment charges and other incidental charges are applicable depending on the product / scheme opted by the borrower.

These charges shall be standard across customers irrespective of their credit worthiness and /or credit history.

- Changes in the interest rates and charges/ levies will be effected only prospectively.
- The decision of the Company to recall / accelerate payment or performance under the agreement shall be in accordance with the terms and conditions in accordance with the agreement and duly acknowledged by the borrower.
- All securities pertaining to the loan would be released on receipt of full and final payment of the loans, subject to any legitimate right or lien, and set-off for any other claim that GSFTPL may have against the borrowers. If such right of set-off is to be exercised, the borrower shall be given prompt notice about the same, with full particulars about the remaining claims and the conditions under which GSFTPL is entitled to retain the securities until the relevant claim is settled / paid.

#### **4. Advertising and Marketing**

- We will ensure that all advertising and promotional material is clear, fair reasonable and not misleading.
- We will provide the customers with a full range of financial products the customer is eligible for. Some of these products / services will be our own; some others may be the products of the companies with which we have tie-up arrangements. We will inform the customer of these companies with which we have entered into a business arrangement and if the customer so desires, we will direct the staff / agents of the company for marketing their products / services.

#### **5. General Provisions**

- GSFTPL shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions for of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of GSFTPL).
- In case of receipt of request from the borrower for transfer o f borrowal account, the consent or otherwise i.e. objection of the GSFTPL, 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.
- In the matter of recovery of loans, GSFTPL representatives shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc. GSFTPL shall ensure there is no rude behavior from its staff towards customers for which staff will be adequately trained to deal with the customers in an appropriate manner.
- There shall be no discrimination in extending products and facilities including loan facilities to the physically/ visually challenged applicants on the grounds of disability.

- The clarification issued vide RBI/2019-20/30 DNBR (PD) CC.No.101/03.10.001/2019-20 dated August 02, 2019 on 'Levy of foreclosure charges/ pre-payment penalty on Floating Rate Term Loans' state any floating rate term loan lend to individual borrowers for purposes other than business shall not attract foreclosure charges/ pre-payment penalty. The status of co-borrower shall not be relevant for this clause.

#### **6. Interest Rate Policy**

- The borrower will be communicated the annualised rate percentage in the sanction document while communicating the approval of a loan.
- This rate of interest is arrived at through GSFTPL interest rate model which takes into account relevant factors such as cost of funds, margin and risk premium.
- We take a comprehensive approach to the gradation of risk that does not discriminate between classes of borrowers, but rather tailors the interest rate to each loan.
- The decision to give a loan and the rate of interest thereon are carefully assessed on a case by case basis based on multiple factors which may include the borrower's cash flows (past, current and projected), borrower's other financial commitments, the borrower's credit record, the security for the loan as represented by underlying assets or other financial guarantees etc.
- Such information is gathered based on information provided by the borrower, credit reports, market intelligence and information gathered by field inspection of the borrower's premises.
- The approved Interest Rate Policy shall be published on the website of the company.

#### **7. Responsibility of Board of Directors**

GSFTPL has laid down an appropriate grievance redressal mechanism within the organization. Such a mechanism ensures that all disputes arising out of the decisions of GSFTPL are heard and disposed of at least at the next higher level. The Board of Directors of GSFTPL also reviews the compliance of the Fair Practices Code and the functioning of the grievance's redressal mechanism at various levels of management.

#### **8. Grievance Redressal**

GSFTPL's policy is to treat and service all the clients consistently and fairly. GSFTPL has laid down the appropriate grievance redressal mechanism within the organization to resolve disputes arising in this regard. This mechanism shall ensure that all disputes arising in connection with any matter pertaining to business practices, lending decisions, credit management and recovery decisions shall be heard, and the response would be sent for such complaint / grievance.

Customer can forward the complaint through any of the five modes of communication namely:

- The Toll-Free Number shall be updated on the website of the company. Customers can call on this number between 10.00 am to 6.00 pm from Monday to Friday.
- E-mail us at [info@growthsourceft.com](mailto:info@growthsourceft.com)
- Write to us at:

**Growth Source Financial Technologies Private Limited**

Corporate Office: Fortune 2000, "A" Wing, 2<sup>nd</sup> Floor, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Registered Office: D-702, Raheja Heights, Plot No. 239, Film City Road, Malad (East), 400 097.

- Visit the nearest Branch of GSFTPL.

All the customer queries and complaints registered through the above channels shall be reviewed, monitored and resolved to the satisfaction of the customers. The focus shall be to ensure all grievances are resolved in a timely basis and to the full satisfaction of our customers.

GSFTPL has appointed a Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company.

All GSFTPL branches/places where business is transacted a notice board will display the following information prominently, for the benefit of their customers:

**Growth Source Financial Technologies Private Limited**

**Corporate Office:** Fortune 2000, "A" Wing, 2<sup>nd</sup> Floor, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

**Registered Office:** D-702, Raheja Heights, Plot No. 239, Film City Road, Malad (East), 400 097.

Telephone No.:

E-mail ID:

If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Mumbai Office of DNBS. The complete contact details of the Officer in Charge are as follows.

**Reserve Bank of India**

Department of Banking Supervision

Mumbai Regional Office

3rd Floor, Opposite Mumbai Central Railway Station, Byculla, Mumbai 400 008

Phone: (022) 23084121, Fax: (022) 23022011

E-mail Id: [dnbsmro@rbi.org.in](mailto:dnbsmro@rbi.org.in)

## **Escalation Matrix for Complaints of Customers:**

### **Level 1: Customer Care Team**

If the response received from the above access channels is not satisfactory or if there is no response in 10 working days, complaint can be escalated to the under mentioned:

The Manager,  
Customer Care

#### **Growth Source Financial Technologies Private Limited**

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Telephone No.:

E-mail ID:

The customer shall provide his loan account number to help us understand and address the concerns.

### **Level 2: Service Head**

If there is no satisfactory response received within 7 working days of escalating the complaint to the Customer Care Team, the same can be escalated to the under mentioned:

Email id:

Telephone No.:

### **Level 3: Grievance Redressal Officer**

If the concerns have not been fully addressed or if there is no revert from the Service Head within 7 working days, final level of escalation would be to:

#### **Growth Source Financial Technologies Private Limited**

**Corporate Office:** Fortune 2000, "A" Wing, 2<sup>nd</sup> Floor, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

**Registered Office:**D-702, Raheja Heights, Plot No. 239, Film City Road, Malad (East), 400 097.

Telephone No.: To be inserted

E-mail ID: To be inserted

The Board of Directors and the senior management team shall also periodically review the compliance of the GSFTPL's Fair Practices Code detailed above. They will also ensure that its functioning reflects its commitment to all the stakeholders for offering in a fair and equitable manner, the various financial services and products and the grievances redressal mechanism at various levels of management. GSFTPL shall modify, amend and update the above Code from time to time, in accordance with the guidelines prescribed by the RBI, from time to time.