

RANJIT SECURITIES LIMITED

FAIR PRACTICES CODE

Fair Practices Code

PREAMBLE

The Fair Practices Code (‘FPC’) has been devised by Ranjit Securities Limited (‘RSL’ or ‘the company’) with an endeavor to achieve synchronization of best practices when the Company is dealing with its stakeholders such as customers, employees, vendors, etc. RSL has a responsibility to ensure that all its subsidiaries and Indian affiliates operate in a way that aligns the interests of stakeholders as stated.

The Company’s Fair lending practices shall apply across all aspects of its operations including marketing, loan origination, processing, servicing and collection activities. RSL’s commitment to the FPC would be demonstrated in terms of employee accountability, monitoring and auditing programs, training and technology.

The Company’s Board of Directors and the management are responsible for establishing practices designed to ensure that its operations reflect a strong commitment to fair lending and that all employees are aware of that commitment.

Key Aspects:

The essence of the FPC lies in the following aspects, that RSL shall strive to follow in spirit and in letter:

- To provide professional, efficient, courteous, diligent and speedy services.
- Not to discriminate on the basis of religion, caste, sex, descent in any manner.
- To be fair and honest in any advertisement and marketing of loan products.
- To provide customers with accurate and timely disclosure of terms, costs, rights and liabilities as regards loan transactions.
- If sought, to provide such assistance or advise to customers seeking loans.
- To attempt in good faith to resolve any disputes or differences with customers by setting up complaint redressal system within the organization.
- To comply with all the regulatory requirements in good faith.
- Seek to use governance structures that provide appropriate levels of oversight in the areas of audit, risk management and potential conflicts of interest and to implement compensation and other policies that align the interests of owners and management.
- Seek to confirm that the funds do not flow to companies that utilize child or forced labor or generally maintain discriminatory policies against religion or gender.
- Ensure compliances relating to Indian regulations prescribed by the Reserve Bank of India (‘RBI’)

1. GUIDELINES ON FAIR PRACTICE CODE FOR RSL

a) Loan proposals and their processing

- (i) All communications to the customer by RSL shall be in English as it is understood by all customers of RSL.

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- (ii) As part of the loan process, to inter alia ensure utmost transparency, RSL provides all necessary information to the customer along with the term sheet/application/proposal as the case may be including but not restricted to nature of security required ,fees/charges, if any, payable for processing, the non-refundable nature of fees including in the case of non acceptance of loan proposal, pre-payment options, check list in respect of information/papers required for considering loan and any other matter which effects the interest of the customer 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 customer. .

TIME FRAME FOR DISPOSAL OF APPLICATION

S. No.	Category of Customer and Size of Limit	Time norms for disposal after Submission of all required papers / information sought by the RSL.
i.	For all categories of customers and for any amount of Loans	Time period upto 60 days or such time as mutually agreed upon with customer.

- (iii) On exercise of choice, the customer would be given the relevant information about the loan product of its choice.
- (iv) The customer would be explained the processes involved till sanction and disbursement of loan and would be notified of timeframe within which all the processes will be completed ordinarily.

b) Loan appraisal terms and conditions

- (i) RSL shall scrutinize the information submitted by the customer and additional data, if any, required should be called promptly to facilitate expeditious disposal of the loan.
- (ii) RSL shall convey in writing to the customer by means of sanction letter or term sheet or any other form of written communication key terms and conditions of the proposed exposure including:
- the amount of loan sanctioned along with the terms and conditions including annualized rate of interest,
 - details of the default interest / penal interest rates (expressed in percentage per month / annum as the case may be) and the charges payable by the customers in relation to their loan account and method of application thereof (penal interest charged for late repayment of loan would be mentioned in bold in the loan agreement)
 - terms and conditions and other caveats governing the credit given by RSL arrived at after negotiation
 - terms of enforcement of security

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- all other information which is relevant from the point of view of the transaction and all the parties involved.
- wherever possible, reasons for rejection of loan would be conveyed to the customers.

All the above information can be part of the loan agreement expressed in writing and shall be duly approved by the customer and countersigned by the authorized officials of RSL.

c) Types of Fees/Charges

- (i) All the fees / charges / interest would be payable as per mutual agreement.
- (ii) Syndication fees for cases where RSL acts as arranger for loan shall be set out in the individual engagement letters.

d) Disbursement of loans including changes in terms and conditions

- (i) RSL shall give notice to the customer of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc.
- (ii) Changes in the interest rates and charges shall be effected prospectively. A suitable condition in this regard shall be incorporated in the loan agreement, as applicable.
- (iii) All communication like acceptances (including for amendments or addendum) with the Customer in relation to the sanction / facilities / loan / mandate / proposals shall be in writing and preserved for a minimum period of eight years.

e) Post disbursement supervision

- (i) Post disbursement supervision is constructive and the genuine difficulties which the customer may face is given due consideration.
- (ii) RSL would not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of loan agreement unless new information, not earlier disclosed by the borrower, has come to the notice of RSL.
- (iii) Decision to recall / accelerate payment or performance under the agreement should be in consonance with the loan agreement.
- (iv) Before taking a decision to recall / accelerate payment or performance under the agreement or seeking additional securities, RSL shall give notice to customers in consonance with the loan agreement.
- (v) RSL shall release all securities on repayment of all dues or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim RSL may have against customer. If such right of set off is to be exercised, the customer shall be given notice about the same with full particulars about the remaining claims and the conditions under which RSL is entitled to retain the securities till the relevant claim is settled /paid.

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f) Financial Difficulties

- (i) RSL will consider cases of financial difficulty appropriately. The customer should identify problems and immediately should let RSL know as soon as possible.

g) Restructuring

- (i) In case of receipt of request from borrower for transfer of borrower account, RSL shall convey its decision/concern to borrower within 21 days of receipt of request. Such transfer shall be as per agreed terms and conditions & in accordance with law.

h) Collection of Dues

- (i) If the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land will be followed for recovery of dues. The process will involve reminding the customer by sending the notice or by making personal visits and/ or repossession of security, if any. In case of default, RSL may refer the case to the recovery agent and will inform the customer of the recovery proceedings being initiated. RSL shall ensure that its process of recoveries will not involve harassment to the Customer. Appropriate instructions will be provided by RSL to its staff for handling customer queries and grievances cordially.

i) Information Secrecy

- (i) 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, RBI, other banks and financial institutions and any other state, central or other regulatory body.
- (ii) Customer information would be revealed only under the following circumstances, namely;
 - If RSL is compelled by law
 - If it is in the Public Interest to reveal the information
 - If the interest of RSL to require disclosure.

j) Grievance Redressal Mechanism (GRM)

- (i) The Board of Directors of RSL has laid down the appropriate grievance redressal mechanism 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 off at least at the next higher level. The customer shall be informed of the customer complaint process / GRM followed by RSL. The customer shall be entitled to approach the Principal Officer/Designated Director, who shall ensure to take up the grievance promptly and try to resolve the matter expeditiously. If the matter is not resolved within a period of 7 working days or is not capable of being resolved then the customer shall be informed appropriately at the earliest opportunity. All communication in relation to the GRM shall be in writing.

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- (ii) In this regard, RSL has also set up a dedicated e-mail address compliance@ranjitsecurities.com where customers and other stakeholders including vendors can submit their grievances, complaints and suggestions. All complaints received by RSL shall be tabled at the meeting of the Board of Directors every quarter.
- (iii) The Board of Directors shall annually review the compliance of the FPC and the functioning of the GRM. A consolidated report of compliance shall be submitted to the Board every year.