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**FAIR PRACTICE CODE  
OF  
SATIN FINSERV LIMITED  
(VERSION 1.1- 30.07.2019)**

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**SATIN FINSERV LIMITED**

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CIN: U65999DL2018PLC337435

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## **FAIR PRACTICE CODE POLICY**

The Fair Practices Code of Satin Finserv Limited (“SFL”) aims at providing its members an overview of practices, which will be followed by SFL in regard to the financial services being provided. SFL main emphasis is to provide a fair and reliable service to its members while lending and collection of dues. The organization's fair practice code is based on the principle of being aware of the sensitive condition of the member and respecting their dignity while adopting a sensible approach towards recovery of dues.

The Company’s Board of Directors and the management team are responsible for implementing the fair practices hereinafter detailed, and also to ensure that its operations reflect its strong commitment to all the stakeholders for offering in a fair and equitable manner, the various financial services and products including lending and that all employees are aware of this commitment.

### **The objectives of the Code are**

- a. To promote good practices and ensure good practices in dealing with customers;
- b. Greater transparency enabling customers in having a better understanding of the product and taking informed decision;
- c. To strengthen mechanisms for redressal of customer grievances.

### **APPLICATION FOR LOAN AND THEIR PROCESSING**

1. All communications to the borrower will be in the language as understood by the borrower.
2. Loan application form should include necessary information which affects the borrower, so that meaningful comparison with terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application indicate the documents required to be submitted with the application form.
3. The Company shall provide to the prospective borrower an acknowledgment for the receipt of all loan application. An indicative time frame within which loan applications will be disposed of will be mentioned in such acknowledgement.

### **LOAN APPRAISAL AND TERMS/ CONDITION**

SFL shall convey in writing to the borrower in the 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 annualised rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record. As complaints received against NBFCs generally pertain to charging of high interest / penal interest. If Company charges any delayed payment charges, it will be communicated to the borrowers by way of bold letters in the loan agreement. Appropriate internal principles and procedures for determining interest and other charges shall be laid down and be subjected to review keeping in view the business exigencies, regulatory and customer sentiments, market practices etc. The acceptance of the terms and conditions communicated by the borrower shall be preserved by the Company in its records.

### **DISBURSEMENT OF LOAN INCLUDING CHANGE IN TERMS AND CONDITIONS**

- a. The Company shall give notice to the borrower in the language as understood by the borrowers of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc.
- b. The Company shall ensure that changes in interest rates and other charges are effected only prospectively. A suitable condition in this regard should be incorporated in the loan agreement.
- c. The decision of the Company to recall / accelerate payment or performance shall be in consonance with the terms of the loan agreement.
- d. The Company shall release all securities upon repayment of all dues or on realization of the outstanding amount of loan subject to any Legitimate right or Lien for any other claim it will have against borrower. In case such right of set off is to be exercised, the borrower shall be given due notice with full particular about the outstanding claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled/paid.

## **GENERAL**

- a. SFL will refrain from interference in the affairs of its Borrower except for the purposes provided in the terms and conditions of the loan agreement of the respective loan agreement (unless new information, not earlier disclosed by the Borrower, has been noticed)
- b. In case the receipt of the request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the Company, if any, should 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.
- c. In the matter of recovery of loan, the NBFC should not resort to undue harassment viz; persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc. As complaints from the customer also include rude behavior from the staff of the SFL, SFL shall ensure that the staff are adequately trained to deal with the Customer in an appropriate manner.

## **RESPONSIBILITIES OF BOARD OF DIRECTORS**

- a. The Board of Directors of the company should lay down the appropriate grievance redressal mechanism within the organization to resolve disputes arising in this regard. Such a mechanism should ensure that all disputes arising out of the decisions of company' functionaries are heard and disposed of, at least at the next higher level.
- b. There will be a periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at the levels of management. A consolidated report of such reviews will be submitted to the Board at regular intervals, as may be prescribed by it.

The public notice will serve the purpose of highlighting to the customers, the grievance redressal mechanism followed by the Company, together with details of the Nodal Officer and of the Regional Office of the RBI.

### **UPDATION IN FPC POLICY OF COMPANY**

Chief – executive officer/Whole-time director of the Company shall be authorized to amend/modify the FPC Policy or such other related guidance notes of Company, to be in line with RBI or such other statutory authority's requirements/updates/ amendments time to time.

### **ADOPTION**

This Policy Document and any changes made during the annual reviews shall be adopted by of the Board of Directors.