

MONEYPLUS FAIR PRACTICE CODE

INTRODUCTION

The Reserve Bank of India, by its notification no. RBI/2012-13/416 DNBS.CC.PD.No. 320/03.10.01/2012-13 dated February 18, 2013 has issued guidelines on Fair Practice Code for all Non Banking Financial Companies (NBFC)

With a view to institute fairness, transparency and healthy practice in rendering the lending business the Company has adopted and put in place the following updated Fair Practice Code in accordance with the Reserve Bank of India Master Circular no. **RBI/2015-16/16 DNBR (PD) CC. No. 054/03.10.119/2015-16 dated July 1, 2015** and **RBI/2013-14/42 DNBS.(PD)CC. No. 340/03.10.042/2013-14 dated July 1, 2013.**

Objective

- To promote good and fair practices by setting minimum standards in dealing with the Customers;
- To increase transparency and to make the customer understand the services clearly;
- To encourage market forces, through competition, to achieve higher operating standards;
- To promote a fair and cordial relationship between customers and the Company;

Applicability of the Code

This Code shall apply to the Company and all employees of the Company and other persons who are authorized on behalf of the Company to represent it in the Course of its business. It must be in accordance with prevailing statutory and corporate regulatory requirements, with due focus on efficiency, customer- Orientation and corporate governance principles- all of which form part of the Company's approved Investment and Credit Policy.

In addition, the Company would adhere to the Fair Practices Code in its functioning, the Key elements of which are as follows:

Application for loans and their processing

- Loan application forms of the Company will include necessary information which are likely to affects the interests of the prospective borrower, so that a meaningful comparison with the terms and conditions offered by other Non Banking Finance Companies can be made and an informed decision taken by the prospective borrower.
- The loan application form shall indicate the documents required to be submitted along with the application form.
- The Company shall provide to the prospective borrower an acknowledgment for receipt of all loan applications. An indicative time frame within which loan applications will be disposed of will be mentioned in such acknowledgment.



- All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.

Loan Appraisal and terms/ conditions:

- The Company will convey in writing to the Borrower by way of sanction letter the amount of loan sanctioned along with all the terms and conditions including interest and method of application thereof.
- The Company has specified in the loan agreement, rate of penal interest to be charged for late repayment.
- Acceptance of these terms and conditions (sanction letter) by the borrower shall be kept on the Company's record.
- The Company at the time of sanction/ disbursements of loans will furnish a copy of loan agreement and other related documents to the borrower.

Disbursement of loans including changes in Terms and Conditions:

1. The Company shall give notice to the borrower of any change in terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc.
2. The Company ensures that changes in the interest rates and charges are effective only with prospective effect.
3. The Company will release all securities on repayment of all the dues or on realization of the outstanding loan amount subject to any legitimate right or lien for any other claim that the Company may have against the borrower. Where such right of set off is to be exercised, the borrower shall be given a notice about the same with full particulars about the remaining claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled/ paid.
4. Any decision to recall/ accelerate payment or performance under the agreement should be in consonance with the loan agreement executed with the borrower.

General

1. Company will not interfere 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 the notice of the Company)
2. In the matter of recovery of outstanding dues from its Borrower, the Company would not resort to undue harassment VIZ. use of muscle power for recovery of loans etc. The Company shall ensure that the staffs are adequately trained to deal with the customers in an appropriate manner.

Transfer of Borrowed Account:

In case of receipt of request from the borrower for transfer of the borrowed account, the consent or objection will 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.

Regulation of Excessive Interest Charged:

- a) 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.
- b) The rate of interest to be charged depends much upon the gradation of the risk of the borrower viz. the financial strength, business, regulatory environment affecting the business, competition, past history of the borrower etc.
- c) The rate of interest shall be annualized rate so that the borrower is aware of the exact rates that would be charged to the account. The said rate shall be disclosed to the borrower in application form and communicated explicitly in the sanction letter. EMI as per the annualized rate of interest has to be mentioned in the agreement.

Complaints about excessive interest charged by NBFC

- a) The Board of Directors laid down appropriate internal principles and procedures for determination and justification of the Interest Rate charged from the borrower.
- b) In case, the borrower complains about the increased interest being charged viz a viz loan agreement with the Company, the same will be taken care by the management with utmost priority to resolve the matter.

Responsibility of Board of Directors for Investor Grievance Redressal

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

Grievance Redressal Officer Details:

The Company should display the following information at its branch/place where business is transacted for benefit of its customers:

- **Grievance Redressal Officer:**

Corporate Office

Name	: Tripty Pareek
Designation	: Company Secretary
Address	: IInd Floor, Plot No 122, Sector -44, Gurugram-122003
Telephone No	: 0124-4342006
Email id	: care@moneyplusfin.com

If the Complaints/ dispute are not redressed within a period of one month, the customer may appeal to the Officer-in-charge of the Regional Office of Reserve Bank of India under whose jurisdiction our Company is registered:



Address : **Reserve Bank of India**
Department of Non Banking Supervision
6, Sansad Marg
Post Box 87,
New Delhi-110001
Contact No : 011-23714456/ 23710538

The Board will periodically review the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of the management.

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