



IVL Finance Limited

FAIR PRACTICES CODE

(Reviewed and Approved by the Board as on 25/04/2017)

This Fair Practices Code (“FPC”) is being adopted by M/s IVL Finance Limited (“IVLFL” or “Company”) in accordance with the guidelines applicable to Systemically Important Non Deposit taking NBFC as per Chapter VI of the RBI Master Direction DNBR (PD). 008/03.10.119/2016-17. Fair Practices Code was first adopted by the Board of Directors of M/s Malpani Securities Private Limited in its meeting held on October 16, 2006. M/s Malpani Securities Private Limited was later named as Shivshakti Financial Services Private Limited which was subsequently renamed as M/s IVL Finance Limited. This FPC is being adopted after incorporating the modifications in the Fair Practices Code lastly amended on 28th March 2012 by IVLFL (then known as Shivshakti Financial Services Private Limited). The Fair Practices Code is as under:

FAIR PRACTICES CODE

Sr. No.	Contents
1	Objectives and application
2	Commitment to Customers
3	Disclosure and Transparency
4	Advertising, Marketing and Sales
5	Privacy and Confidentiality
6	Collection of Dues
7	Complaints and Grievances
8	Know Your Customer Guidelines
9	Deposit Accounts
10	Loans
11	Guarantor
12	General

1. OBJECTIVES & APPLICATION:

1.1 Objectives of the Code

IVL Finance Limited has set its objective to pursue best corporate practices and to bring about utmost transparency in business practices followed globally and thereby **foster customer confidence** in the Company. Accordingly, the present code has been set to:

- i) promote good and fair practices by setting minimum standards in dealing with customers;
- ii) ensure transparency so that the customer can have a better understanding of what he/she can reasonably expect of the services provided by the Company;
- iii) encourage market forces, through competition, to achieve higher operating standards; and
- iv) Promote fair and cordial relationship between the Customer and the Company through robust customer communications and grievance redressal mechanism and thus foster confidence of the former in the latter.

1.2. Application of the Code

All parts of this Code apply to all the loan products and services which are presently being provided or which may be introduced hereafter whether they are provided by the Company across the counter, over the phone, by post, through interactive electronic devices, on the internet or through Company's agents or by any other method. Copy of the FPC in Vernacular/Regional language as well as the English version shall be displayed at all offices/branches of the Company. A copy of FPC shall also be displayed on the website of the Company notifying members of the general public and all stakeholders about the codes being adopted by the Company.

2. OUR COMMITMENTS TO THE CUSTOMERS:

2.1 To act fairly and reasonably in all dealings with customers by ensuring that:

The Company shall meet the commitments and standards defined in this Code for the products and services it offers and in the procedures and practices its staff follows. All the products and services would be in accordance with relevant laws and regulations in letter and spirit; and dealings with customers shall rest on ethical principles of integrity and transparency.

2.1.1 While dealing with the customers, the company shall refrain from interference in the affairs of the borrower except for the purpose(s) provided in the terms and conditions of the loan agreement.

2.1.2 Company shall not charge excessive interest to borrowers. Rationale of rate of interest being charged from a customer shall be explained. All rates & charges shall be mentioned in loan agreement

2.1.3 The rates of interest and the approach for gradation of risks shall also be made available on the web-site of the company.

2.2 To help customers understand how our financial products and services work by ensuring that:

i) The contents of advertisements and promotional literature will be as far as possible clear and not misleading. Proforma of Loan Agreement & other documents that may be required to execute & signed by customer for obtaining loan shall be available on the website of the Company for display

to facilitate our intending clients to know & understand his rights and obligations by entering loan agreement before hand, so that, an informed decision is taken while obtaining services from us.

ii) In the first instance, the customers would be explained and provided with relevant documents etc containing information about the products and services in any one or more of the following languages: Hindi, English or the appropriate local language. To ensure absolute transparency , the customers shall be provided clear information about the nature of products and services, their terms and conditions, the interest rates per annum / service charges, EMI to be payable for servicing of the loan product, documents to be submitted to the company for the products etc. as may be applicable.

2.3 To help customers to use our products and services by providing:

i) Provide a copy of the duly signed Loan Agreement via email or otherwise indicating details of terms & conditions of the loan sanctioned to the borrower The Company would ensure arrange and provide the customers regular, appropriate updates by means of interactive meeting, through display in website or by e-mail/ mailing printed letters.

ii) Dissemination of information about changes in the interest rates, charges and terms and conditions and so on website.

iii) The change in the interest will be intimate with advance notice before its application. The revision of interest rate or service charges will be applicable only prospectively.

2.4. To deal quickly and sympathetically with things that may go wrong at any stage, by:

i) Taking prompt and appropriate action to mitigate the impact of the mistake, if any, on the part of the Company.

ii) Handling customers' complaints promptly.

iii) Informing Customers about the systems and procedures existing within the Company by following which the customers can approach to the Higher Authorities in the Company if their grievances are not adequately redressed by their initial interface with the officials of the Company.

iv) Making suitable arrangements to counter any problem that may arise due to any technological failure.

2.5 To publicise the code our company shall:

i) make available this Code at every branch of the Company and also on the website of the Company; and

ii) ensure that the staff of the Company are well trained to provide relevant information about the Code and to put the Code into practice.

2.6 To adopt and practice a non - discrimination policy

Our Company shall not discriminate on the basis of age, race, caste, gender, marital status, religion or disability.

2.7 Special care to senior citizen and physically challenged persons

We shall make our best efforts to make it easy and convenient for our customers like **senior citizens**, physically challenged persons and illiterate persons in their dealing with us.

3. DISCLOSURE AND TRANSPARENCY

3.1 Our Company believes in complete disclosures and transparency in dealing with our customers. We shall provide fullest information about all factors which may have any bearing on the transactions between the Company and the customers including but not limited to the interest rates, common fees and charges through following means including

- i) Through telephone or help-lines;
- ii) Through the company's website;
- iii) Through designated staff / help desk;
- iv) Providing service guide / tariff schedule; and
- v) As far as possible all the relevant details will be incorporated in the prescribed application form for the product.

3.2 In respect of prospective customers the Company shall:

- i) Provide clear information explaining the key features of the services and products that customers may be interested in; the Loan Application Forms with all 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 there by informed decision can be taken by the borrower. The loan application will indicate the documents that may be required to be submitted with the application form. An acknowledgement shall be provided to the applicant.
- ii) Assist the customers in selecting products and services that may suit the customers' needs;
- iii) Apprise the customers about various means through which products and services of the Company are offered [for example, on the Internet, over the phone, in branches and so on] and inform them about the sources and means to get more information about these products and services.
- iv) Inform the customers about the requisite information and documents required from him/her to prove his/her identity and address, for complying with legal, regulatory and internal policy requirements.

3.3 To those who have become customers, the Company shall:

- i) Provide updated information on rights and responsibilities of the customers on website along with list of charges and interest rate.

3.4 Interest rates

IVLFL shall lay down appropriate internal principles and procedures in determining interest rates and processing and other charges. ALCO of the company shall determine rates & charges from time to time in accordance to the principle laid down by the Board of the Company. The Company shall give requisite information to the customers on

- i) The interest rates calculated on an annualized) rate which applies to his/her loan accounts:
- ii) How interest is applied to his / her account and method of calculation of interest including penal interest that may be applicable in the event of default/delayed payment as well as EMI payable by the customer.

3.5 Changes in interest rates

The Company shall inform well in advance to the customers about its decision to make changes in interest rates on the products offered by the Company and the changes so made in interest rates would be made applicable prospectively.

3.6 Fees & charges

- i) The Company shall display in all its branches, in Company's website a notice about the tariff schedule which the customers would be allowed to see free of cost. The customers would also be provided a list of services rendered by the Company free of charge.
- ii) The tariff schedule given to the customers as part of most important document along with loan agreement shall contain all details about the charges as applicable to, and which the customer shall be liable to pay
- iii) Shall provide to the customers information about the penalties which shall be levied on him in case of non-observance / violation of any of the terms and conditions governing the product / services chosen by them in most important document.

3.7 Prepayment Charges

Company shall not levy prepayment penalty from individual borrowers having taken term loan under floating rate of interest as per RBI guidelines contained in Bank's circular No RBI-2014-15/121 and DNBS(PD)CC No.399/13.10.42/2014-15 dated July 14, 2014. However, in case of change in Company policy on foreclosure of loan accounts due to change in Regulatory Guidelines, pre-payment penalty shall be applicable as per the prevailing policy on date of the foreclosure of loan account which is published in the website of the Company for information of all stake holders.

3.8 Changes in fees & charges

If the Company decides to increase any of these charges or introduce a new charge, it will be notified on website suitably prior to the revised charges/new charges being levied / becoming effective.

3.9 Terms and conditions

i) The Company shall suitably advise the customer availing a product / service for the first time, about the relevant terms and conditions for the products/services he / she has asked the Company to provide.

ii) The terms and conditions governing the products and services of Company shall be fair and shall set out respective rights especially the right of the customers to make nomination. The said terms and conditions shall spell out the liabilities and obligations clearly. Endeavour shall be made to prepare and present these terms and conditions in plain and simple language.

3.10 Changes in the Terms and Conditions

Any change in the terms and conditions shall be communicated to the customers through any of the following channels:-

i) Normally, changes would be made with prospective effect and due notice of such changes would be given to the customers in advance.

ii) If it is not possible to intimate the customer about any change in the terms and conditions in advance and if the change is made without giving advance notice to the customer, the change so made shall be duly notified within 30 days. If the terms and conditions after making such changes i.e., changes made without giving prior intimation to the customer, become disadvantageous to any customer, then such customer may within 60 days and without giving any notice can close his/her loan amount.

iii) If there is any major change or a lot of minor changes in the terms and conditions, then upon the request of the customer, the same shall be duly informed to the customer and the customer shall be provided with a copy of the new terms and conditions or a summary of the changes.

4. ADVERTISING, MARKETING AND SALES

4.1 The Company shall:

i) Make its endeavors to ensure that all advertising and promotional material released by the Company is clear, and not misleading.

ii) Company may, from time to time, communicate to customers various features of its products availed by them. Information about any other products or promotional offers in respect of products / services shall be conveyed to customers only if he / she has given his / her consent to receive such information / service either by mail or by registering for the same on the website or on customer service number.

5. PRIVACY AND CONFIDENTIALITY

5.1 All personal information of customers shall be treated as private and confidential [even when the customers are no longer customers], and shall be guided by the following principles and policies. Company shall not reveal information or data relating to customer accounts, whether provided by the customers or otherwise, to anyone, including other group companies or entities, other than in the following exceptional cases:

i) If the information is to be given by law or by the direction of the regulator/s

- ii) If there is a duty towards the public to reveal the information
- iii) If the Company's interests require them to give the information (for example, to prevent fraud) but the same shall not be used as a reason for giving information about customer or customer accounts [including customer name and address] to anyone else.
- iv) If the customer asks the Company to reveal the information, or with the customer's permission
- v) If the Company is asked to give a reference about customers, with his / her written permission.
- vi) The customer shall be informed the extent of his / her rights under the existing legal framework for accessing the personal records that holds about him /her.
- vii) The Company shall not use customers' personal information for marketing purposes by anyone unless the customer specifically authorizes to do so.

6. COLLECTION OF DUES

6.1 Whenever loans would be given, the customer would be explained of the repayment process by way of the amount, tenure and periodicity of repayment. If the customer fails to adhere to the prescribed repayment schedule, appropriate action for recovery of dues shall be taken under the laws of land and no undue harassment will be resorted to.

6.2 **IVLFL has framed their collection policy based** on courtesy, fair treatment and persuasion. The Company believes in fostering customer confidence and long-term relationship. The staff or any person authorized to represent the Company in collection of dues or / and security repossession shall identify himself / herself and display the authority letter issued by the Company. He/She shall upon request, display his / her identity card issued by the Company or under authority of the company. Company shall provide customers with all the information regarding dues and shall endeavor to give sufficient notice for payment of dues.

6.3 Repossession of Security:

The loan agreement of the Company has a built in legally enforceable re-possession clause in the contract/loan agreement with the borrower. Re-possession process shall be carried out transparently as per terms and conditions of the contract/loan agreement and process be followed regarding

- (a) notice period before taking possession;
- (b) Circumstances under which the notice period can be waived;
- (c) the procedure for taking possession of the security;
- (d) a provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the property;
- (e) the procedure for giving repossession to the borrower and
- (f) the procedure for sale/auction of the property.

A copy of such terms and conditions shall be made available to the borrowers along with a copy of the loan agreement and copy of each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction / disbursement of loans, which may form a key component of such contracts/loan agreements.

7. COMPLAINTS AND GRIEVANCES

7.1 Internal Procedures :

- Company shall endeavor to address/respond to all complaints and grievances within a reasonable time and keep the customers informed about the status of their complaints.
- Company shall make available facilities at each of its branches and offices for the customers to lodge and/or submit their complaints or grievances, if any.

Customer shall be provided with facility to lodge his grievances for redressal through specifically made e-mail id available on the website of Company. IVLFL have established a system where by access to the complaint handling process is made available free of charge to our customers.

If the customer wants to make a complaint, he/she shall be suitably advised as to

- All offices, branches shall display the office address, email id, fax no., phone no., etc. where a complaint can be made and designated authority to whom the complaint can be made. :How he/she can make a complaint i.e., phone, letter, fax, email, etc.

In the normal course of business, the Customer can reach IVLFL either by visit to the nearest branch or by phone through toll free Helpline :1-800-200-7777 or by e-mail to customerservice@indiabulls.com, or lodge complaints by email to grievance_IVL_FL@indiabulls.com

If the complainant is not satisfied with the reply provided by the customer care department, may escalate to his/her complaints to higher authority to

Head Customer Care, IVLFL,
Indiabulls Finance Centre, Tower-1,
Senapati bapat Marg, Elphinstone,
Mumbai-400013 at 022-61891190

- After waiting for reasonable time (i.e., not more than 30 working days) from the date of his complaints, if customer feels his grievances have not been resolved upto his satisfaction, may like to approach higher authority of the Company. If the reply/actions of the Company is still found not satisfactory to the complainant even after waiting for 30(thirty) days , he may write to the Regional Office of DNBS , Reserve Bank of India at their following address:

To

The General Manager
Reserve Bank of India,
Department of Nonbanking Supervision
6, Sansad Marg, New Delhi-110001
FAX No. (011) 2371-3672, 2375
Email: dnbsnewdelhi@rbi.org.in

* Board of Directors/Committee of the Board shall periodically review grievance redress process as well as issue instructions in the matter so that customer gets expeditious and fair resolutions of his grievances,

8. LOANS

8.1 Before lending any money the company shall make proper assessment of the creditworthiness and repayment capacity of the customer.

i) Time frame for disposal of Loan Application

The Company shall dispose off fully completed loan application within 30 days from the date of submission of the proposal together with all the requisite documents. If the company decides not to provide loan to the customer for any reason, it shall be communicated rejection of the loan application.

8.2 Applications for loans and their processing

i) At the time of sourcing a loan product, the company would provide necessary information about the, annual interest rates applicable, as also the fees/charges, if any, payable for processing, pre-payment options and charges if any and any other matter which may the interest of the borrower, so as to enable the customer to make a meaningful comparison with those of other companies and make an informed decision.

ii) The company shall provide acknowledgement for receipt of all loan applications. The applicant will be informed about the time frame within which loan applications will be disposed while accepting application.

iii) Normally all particulars required for processing the loan application shall be collected by the company at the time of application. In case any additional information is required, the customer shall be told that he would be contacted immediately again.

iv) The Company shall convey to the customer the loan sanctioned along with the terms and conditions thereof. The company shall provide copies of all the loan documents executed by the customer at the Company's' cost along with a copy each of all enclosures quoted in the loan document on request;

v) No customer shall be discriminated on grounds of gender, caste and religion in the matter of lending. However, this does not preclude the Company from instituting or participating in schemes framed for different sections of the society.

8.3 Decision to Recall or Acceleration of repayment of loan amount:

Before taking a decision to recall / accelerate payment or performance under the agreement or seeking additional securities for any reason, the Company shall give notice to borrowers in consonance with the loan agreement.

8.4 Closure of Loan Account and release of Securities/Documents:

The Company shall release all securities immediately 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 of the company against borrower. Where the Company decides to exercise its right of set off , the borrower shall be given 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.

8.5 Transfer of Loan Account

Whenever a request for transfer of loan account is received from a customer, Company shall respond to the same within 21 days of receipt of request. Acceptance or refusal thereof shall be in accordance with terms of the agreement. Such transfer shall be as per transparent contractual terms in consonance with law.

9.

GENERAL:

The Company shall provide necessary information to the customers:

1. Explaining the key features of its loan products including applicable fees and charges through most important document
2. Advising the customers what information / documentation would be required to enable the customer to apply. The customers would also be advised regarding documentation that would be required in respect of his/her identity, address, employment, etc. and other documents that may be stipulated by statutory authorities (e.g. PAN details) in order to comply with legal and regulatory requirements.
3. Informing the customer that the information provided by the customer in/with his loan application can be verified either over phone or by visiting the place of his residence or office at the address given by the customer.
4. Advising the customer to co-operate if the Company needs to investigate a transaction on the customer's account and with the police/ other investigative agencies, if the Company needs to involve them.
5. Advising the customer that if the customer acts fraudulently, he/she will be responsible for all losses on his/her account and that if the customer acts without reasonable care and this causes losses, the customer may be responsible for the same.

10. REVIEW

Fair Practice Code Committee shall oversee the implementation of the code and shall review its functioning periodically.

It would be general endeavor of the all the staff members and authorized representatives of the Company to maintain cordial relation with the customer all the time in the best interest of the Company. The customer shall be given all the information about the products till he is fully satisfied with the explanation and accepts all the terms and conditions before entering contract/agreement with the company.
