

## **BANSAL-IN HOLD LIMITED**

### **Fair Practice Code (FPC)**

#### **OVERVIEW**

In compliance of the Reserve Bank of India regulations on Guidelines on Fair Practices Code for NBFCs, Bansal In-Hold Limited (“BIHL”) has enacted this Fair Practice Code (the “Code”).

The Code shall be applicable to all the offices of BIHL; and, shall be binding on all the employees, officers, directors and consultants of BIHL and any third-party service providers as well as recovery agents engaged by BIHL.

#### **OBJECTIVE**

The objectives of the Code are:

- i. Adopt the best practices in dealings with customers.
- ii. Set challenging benchmarks and strive to achieve high operating standards for ensuring customer satisfaction.
- iii. Follow transparent, fair, ethical and legally tenable practices while conducting business.
- iv. Provide all necessary information and inputs to customers / prospective customers and promote a mutually beneficial long-term relationship.
- v. Facilitate a continuously growing base of satisfied customers while scrupulously avoiding acquisition of customers having doubtful credentials or criminal background.

#### **COMMITMENTS**

- i. BIHL undertakes to abide by all applicable laws, regulations and guidelines passed / issued by the government and regulatory bodies (Reserve Bank of India, SEBI etc.)
- ii. BIHL commits itself to full customer satisfaction through efficient, professional and courteous services.
- iii. BIHL shall consistently strive to meet with and improve upon the internally set benchmarks and practices and be ahead of the standards prevalent in the industry.
- iv. BIHL undertakes not to discriminate customers on grounds of religion, caste, gender, language, sexual orientation or physical disability.
- v. BIHL will provide clear and full information about its products and services to its customers / prospective customers and will not resort to any misleading or potentially misguiding advertisement or publicity.
- vi. BIHL will communicate in the local language or English at the request of the customer.

- vii. BIHL undertakes not to take advantage of any unintentional or clerical error made by the customer while transacting business.
- viii. BIHL is committed to put in place a system for promptly addressing complaints and suggestions of the customers supplemented with a structured Grievance Redressal Mechanism having an escalation matrix.
- ix. BIHL shall display the Code on its website and also make available to the Customer, on request, a copy thereof.
- x. BIHL shall undertake appropriate due diligence and assess the repayment capacity of the borrower prior to sanction of any loan to ensure responsible lending and prevent over-indebtedness.
- xi. Personal information of the customer will be kept confidential and shall not be shared with unauthorized persons or unauthorized agencies or unauthorized third parties by BIHL. Such information shall be used only for the purpose agreed with the customer. However, BIHL will be bound to honor and comply with legal or regulatory requirements, if any, in this matter obligating it to part with such information even without notice to the customer.
- xii. BIHL shall ensure that all customer interactions, whether conducted directly or through third-party service providers, adhere to the principles laid down in this Code.

#### **LOANS, TERMS & CONDITIONS, INTEREST RATE & CHARGES**

- i. BIHL shall make available loan application forms to all prospective customers free of cost mentioning also the supporting documents to be submitted along with. An acknowledgement for receipt of duly completed loan application forms will be given to the customer in all cases. As a matter of policy and customer service loan applications are sanctioned / rejected as soon as practicable. Disbursement of the loan and acceptance of security will be carried out nearly simultaneously subject to execution of the loan agreement and completion of all required documentation.
- ii. BIHL shall disclose all relevant information relating to a loan / product such as eligible loan amount, interest rate, charges, penal/overdue interest, interest calculation methodology, rebate on interest etc. before sanction of the loan to enable the customer / prospective customer to take an informed decision. The Customer / prospective customer will also be provided, on request, the detailed terms and conditions of the loan before sanction.
- iii. BIHL shall disclose the annualised rate of interest (“APR”) and all applicable charges in a transparent manner prior to execution of the loan agreement.
- iv. BIHL shall ensure that a loan sanction letter (pawn ticket) is given to the customer containing all the terms and conditions governing the loan facility. The loan sanction letter will also mention the loan amount, loan account number, interest rate, charges, loan processing fees etc.
- v. BIHL shall not in the normal course make any changes / modifications in the terms and conditions of the loan, including rate of interest, which could adversely affect the customer financially or otherwise. In abnormal circumstances when such changes / modifications are

inevitable, keeping in view the new circumstances, adequate and proper notice shall be given to the customer about any such change/modification.

vi. BIHL shall ensure that no hidden charges are levied and all charges are disclosed upfront in the loan documents.

### **MARKETING & PROMOTION**

i. BIHL shall not deliberately promote a product with any ulterior / selfish motives or contrary to the customer requirements or expectations as disclosed by the customer. BIHL will ensure that its personnel engaged in marketing and operations are suitably trained and instructed so as to preclude selling of its products by misrepresentation to the customer / prospective customer.

ii. The rates of interest will be based on variables such as cost of funds, risk premium, loan scheme, profit margin etc. and shall also, by and large, be in tune with industry practices and benchmarks.

iii. BIHL shall ensure that all advertisements and promotional materials are clear, fair, and not misleading, and comply with applicable regulatory guidelines.

### **RECOVERY OF DUES**

i. BIHL will not, as a matter of fair dealing, normally recall the loan before the initially agreed tenure.

ii. BIHL shall ensure that recovery activities are carried out either by its employees or through authorized recovery agents, and BIHL shall remain responsible for the actions of such agents.

iii. BIHL does not accept nor will it encourage the use any coercive or hard measures to recover its dues from the customer.

iv. Even though the loan sanction letter contains all applicable terms and conditions of the loan, BIHL shall, nevertheless, endeavour, on a best effort basis, to send advices, reminders etc. regarding due date for payment of interest, principal etc. by letter, courier service, telephone, SMS etc.

v. BIHL shall, on demand, provide the customer with a statement of the loan account at any time during the currency of the loan or immediately upon closure.

vi. BIHL will not interfere in the affairs of the customers except for the purposes mentioned in the terms & conditions of the loan or when constrained to do so due to inadequate or false disclosures made by the borrower at the time of putting through the transactions.

vii. BIHL shall resort only to remedies which are legally and legitimately available to it and will avoid using recovery measures during odd hours of the day, undue harassment, use of muscle power for recovery of loans. BIHL shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner.

viii. All recovery practices shall be conducted in accordance with applicable laws and regulatory guidelines, ensuring respect for customer dignity and privacy.

## DIGITAL LENDING PRACTICES

Where loans are sourced or serviced through digital platforms:

- i. BIHL shall provide all key loan details, including APR and charges, to the borrower prior to execution of the loan.
- ii. Loans shall not be automatically extended or increased without explicit borrower consent.
- iii. BIHL shall ensure that explicit consent is obtained before accessing any personal data of the borrower.
- iv. All digital lending practices shall comply with applicable RBI guidelines.

## CUSTOMER SERVICE & GRIEVANCE REDRESSAL

- i. BIHL will implement all possible steps to prevent and minimize customer complaints / grievances
- ii. BIHL will facilitate the customer to pay the whole or part of the dues at its offices, designated payment channels, or through digital interfaces/platforms.
- iii. In the event that a customer has a grievance, the following Grievance Redressal Mechanism shall apply:

**i. Level 1 (Branch/Customer Service):** Customers may first approach the Branch Manager/Customer Service Team through email, phone, or in writing.

**ii. Level 2 (Grievance Officer):** If not resolved within 10 days, the customer may escalate the complaint to the Company's Grievance Officer. Where services are provided through third-party service providers, complaints may also be routed through such service providers., where applicable:

Grievance Officer of Company

Name: Naresh Kumar

Email: [grievance@bansalinhold.com](mailto:grievance@bansalinhold.com)

Contact No.: 9821516090

Address: E-371, S/F Main Vikas Marg, Nirman Vihar, East Delhi, Delhi, India, 110092

**iii. Level 3 (Nodal Officer):** If the complaint is still unresolved within 30 days, the customer may escalate it to the Nodal Officer of the company or to the Nodal officer of LSP, where applicable:

Nodal Officer of Company

Name: Vivek Malhotra

Email: [grievance.nodal@bansalinhold.com](mailto:grievance.nodal@bansalinhold.com)

Contact No.: 9643518121

Address: E-371, S/F Main Vikas Marg, Nirman Vihar, East Delhi, Delhi, India, 110092

iv. **Level 4 (Escalation to RBI Ombudsman):** If the complaint remains unresolved even after 30 days, the customer may approach the RBI Ombudsman through the Complaint Management System (CMS) portal at <https://cms.rbi.org.in> or send a written complaint to the Centralized Receipt and Processing Centre (CRPC), RBI, Delhi.

iv. BIHL will put in place an effective training system to ensure that employees are customer friendly and do not resort to rude, inappropriate or unethical behaviour.

v. BIHL will endeavour to work out and display the time norms for putting through and completing the various transactions.

vi. BIHL will have a sympathetic approach to the problems faced by the customer especially the poor and underprivileged sections.

#### **INTERNAL CONTROL AND COMPLIANCE**

A Compliance Officer shall be responsible for overseeing adherence to this Code and ensuring that the Company's practices are in line with applicable regulatory requirements. The implementation of this Code shall be subject to periodic internal audits to assess compliance and identify any gaps. Further, reports on compliance with this Code shall be placed before the Board of Directors at regular intervals.

#### **BOARD APPROVAL & REVIEW**

This Code has been approved by the Board of Directors of BIHL and shall be reviewed periodically, or as and when required, to ensure alignment with regulatory changes and business practices.