
***FAIR PRACTICE CODE AND GRIEVANCE
REDRESSAL MECHANISM***

VIVRITI CAPITAL PRIVATE LIMITED



Version	Approval Date
V1	4 th September 2017
V2	24 th October 2018

The Reserve Bank of India (RBI) has issued guidelines on Fair Practices Code for Non- Banking Financial Companies (NBFCs) via **DNBR (PD) CC.No.054/03.10.119/2015-16**.

Vivriti Capital's (VCPL from hereon) Fair Practice Code (FPC) has been prepared in line with RBI's fair practices code guidelines.

The FPC will be applicable to all the offices of VCPL and shall be binding on all the employees of the organization.

Objectives of the Fair Practice Code:

The objectives of the FPC are as follows:

1. Adopt best practices in dealing with the customer
2. Follow legal and ethically tenable business practices
3. Be transparent and provide all necessary information to the customer

Vivriti Capital's Commitments

- The Company undertakes to abide by all applicable laws, regulations and guidelines passed / issued by the Regulators (Reserve Bank of India, SEBI, IRDA etc.) and other competent authorities such as Government, Local Authority etc.
- The Company undertakes not discriminate customers on grounds of religion, caste, gender or language.
- The Company 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.
- The Company undertakes to desist from introducing any products / services having elements of 'hidden charges' or lack of transparency.
- The Company undertakes to take all possible and reasonable measures to secure the safe custody of the security pledged by the customer and to compensate the customer for any accidental, inadvertent or fraudulent loss of the security whilst in the custody of the Company.
- The Company undertakes not to take advantage of any unintentional or clerical error made by the customer while transacting business.
- The Company 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.
- The Company shall display the FPC on its website and also make available to the Customer, on request, a copy of the FPC on demand.

Fair Practices

Loans

- Loan documentation set will, inter alia, include the broad features and the terms and conditions governing the loan. This would enable the borrowers to take an informed decision by comparing and analysing the terms offered by the Company with other lenders in the market. The said Form shall also specify the documents required to be submitted by the borrowers.
- Loan Application Form may also list out the additional information required from the borrowers and their family members to enable the Company to create the database.
- Loan Application Form shall provide for giving an acknowledgement to the borrowers acknowledging receipt of the same.
- All the loan applications shall be disposed of within a period of 90 days from the date of receipt of duly completed Loan Application Forms together with the requisite documents and subject to receipt of all documents complying with prevailing rules and regulations by the borrower.
- All communication with the customer will be in a language understood by both the parties.

Loan Appraisal and Terms/ Conditions

- The Company, before sanctioning the loan, would assess the ability of the borrowers to repay the loan.
- The decision to lend shall be conveyed to the borrower by means of sanction letter, clearly showing the terms and conditions, annualized interest rate, method of application of interest and penal interest that shall be charged for the late payment
- Acceptance of the above terms and conditions and commercials indicated above shall be preserved in the company's records.

A copy of the facility agreement / documentation, along with a copy each of all enclosures quoted in the loan agreement shall be furnished to the customer at the time of sanction/ disbursement of loans. Penal interest charged in case of late repayment shall be highlighted in bold in the loan agreement.

Disbursement of loans including changes in terms and conditions

- The Company shall communicate via writing or updating on Company's website, any changes in terms and conditions of loan to the customer and apply the changes prospectively based on acceptance by the customer. The loan agreement to contain this clause explicitly mentioning that changes will be applicable prospectively.

Post Disbursement Supervision

- The decision, if any, of the Company to recall/accelerate payment or performance of loan shall be in accordance with the terms and conditions of the Loan Agreement.
- The Company shall give reasonable time to the borrowers before recall the loan or asking for accelerating the payment or performance subject to the terms and conditions contained in the Loan Agreement and other related documents.

- The collaterals lying with the Company may be released on receipt of full and final repayment of loans subject of course to any legitimate right or lien and set off for any other claim that the Company might have against the borrowers. However, in cases where the borrower has availed facility allowing him to borrow/draw monies within the overall amount sanctioned as and when needed by him, the collateral may be retained by the Company for operational convenience.

Repossession in case of default

The company shall have a built-in re-possession clause in the contract/loan agreement with the borrower for secured lending. However, the clause should be transparent and clearly lay out provisions regarding:

- Repossession triggers
- Notice period before taking possession
- Procedure for taking possession
- Provision for a final chance to be given to the borrower to clear dues before sale/auction of property
- Procedure for sale/auction of property

Interest Rate Calculations

- The company shall adopt an interest rate model considering relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers shall be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.
- The rates of interest and the approach for gradation of risks shall also be made available on our web-site. The information published in the website or otherwise published should be updated whenever there is a change in the rates of interest.
- The rate of interest should be annualised rate so that the borrower is aware of the exact rates that would be charged to the account.

Collection Process

- For recovery of loans to individuals, VCPL shall not resort to undue harassment viz; persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc.
- VCPL shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.

Confidentiality

The Company may not reveal transaction details of the borrowers to any other persons except under following circumstances:

- The information is required to be disclosed by any applicable law, any direction, request or requirement of government authority.
- The information is required by the Auditor, professional advisors, agents or any third party service providers of the lenders who are under duty of confidentiality
- The information is required by any person with which the lender may enter into any transfer, assignment, participation or other agreements
- If the information is required by other banks if the borrower has availed any facility from them or any credit information bureau.

Complaints

In case of any complaint/grievances of the borrowers, the same shall be intimated by them in writing to the Grievance Redressal Officer. The Grievance Redressal Officer shall immediately make all efforts to redress the grievances. The employees dealing with the aggrieved customer shall guide him/her to lodge a complaint.

Grievance Redressal Mechanism

VCPL shall provide a three tier Grievance Redressal Mechanism to resolve any of its customers query / grievance.

Level 1:

The customer may register his/her query/ complaint to the Company which shall be addressed to the

Grievance Redressal in connection with any matter pertaining to business practices, lending decisions, credit management, recovery and complaints relating to updation/alteration of credit information.

The details of the Grievance Redressal Officer are given as follows:

- Name of the Grievance Redressal Officer: Vamshi Vasudevan, Head - Institutional Risk
- Address: 12th Floor, Prestige Polygon, Teynampet, Chennai - 35
- Contact Details (Telephone/Email):grievanceredressal@vivriticapital.com, 044-40074801

The redressal officer may formally delegate the task of redressal of a specific complaint to a team member as suitable, with due information to the customer.

Level 2:

If the complaint is not resolved within 15 days, the customer shall complain to the Wholetime Director of the Company at the following email id: vineet@vivriticapital.com

Level 3:

If the complaint / dispute is not redressed within a period of one month from date of its receipt, the customer may appeal to:

Deputy General Manager, Consumer Education and Protection Cell,, Reserve Bank of India, Fort Glacis, Chennai

Name: Smt. A. Booma Santhakumari

Ph: 044 - 2539 9030

Email: boomasanthakumari@rbi.org.in;

cepcchennai@rbi.org.in

Review

The Fair Practice Code shall be reviewed annually or as and when necessary by the Company's Board of Directors. Any change in the Fair Practice Code shall be immediately updated on the Company's website.



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