SANVIN FINCAP PRIVATE LIMITED

(formerly known as Protect Securities Private Limited)

RBI registration no: B-14.01902

FAIR PRACTICES CODE

1. INTRODUCTION:

The Reserve Bank of India in its endeavor to protect the interests of customers has issued guidelines on Fair Practices Code (FPC) for all NBFCs to be adopted by them while doing lending business.

In line with the above and in order to comply with the requirement of the Guidelines, the Board of Directors of M/s Sanvin Fincap Private Limited (hereinafter referred to as 'the Company') have decided to frame codes for its customers so that they are treated in a fair and transparent manner at all levels during their dealings with the Company.

The codes have been framed in compliance with the Guidelines issued by the Reserve Bank of India on Fair Practices Code, as amended from time to time, applicable for Non Banking Finance Companies, to be followed by their Directors, Officers and other Employees.

The following codes have been adopted by the Board of Directors of the Company.

2. DEFINITIONS:

In this Code, unless the context otherwise requires:-

"**Board**" means the Board of Directors of the Company.

"**Code"** means this Fair Practices Code for dealing with clients of the Company, as modified from time-to-time.

"**Company"** means 'Sanvin Fincap Private Limited' (formerly known as Protect Securities Private Limited).

"**Employee"** means every employee of the Company including the Directors in the employment of the Company.

"**Officer of a Company"** means any person as defined in clause (30) of Section 2 of the Companies Act, 1956 including an auditor of the Company;

All terms used in this Code but not defined hereinabove shall have the meaning respectively ascribed to them under the RBI Regulations or the RBI Act or the Companies Act, 1956.

3. Intent, Objectives and Commitment

This Code has been formulated by the Company with the commitment to follow all the Codes, so framed hereunder, in letter and spirit so as to enable our customers being treated in fair and transparent manner in dealing with the Company.

Objectives

To follow good, fair and transparent business practices by setting reasonable standards as per laws of the land and in compliance to regulatory guidelines being issued from time to time;

To encourage market forces, through fair competition, to achieve higher operating standards;

To relate to the customer in such manner so as to promote a fair and cordial relationship;

To set such standards and practices so as to foster confidence in the Financial Services sector.

Commitment

The Company shall at all times do its best to act fairly, reasonably and meet the standard practices prevalent in the industry.

The Company shall abide by all the relevant laws, regulations and meet with the ethical principles of integrity and transparency during its interaction with customers.

While interacting with customers, the Company will take all steps as may be required to provide clear information regarding:

- its various products and services;
- the terms and conditions, the interest rates/service charges;
- benefits available to customers and the implications, if any;
- contact persons for addressing the queries, if any;

The Company has displayed a copy of this Code in the office premise so that, the same is available to the customer for study before entering into any agreement with the Company. The Code will also be made available at every branch/ office.

The Company would not discriminate on the grounds of sex, caste and religion in the matter of lending.

The Company shall treat the information relating to customers as strictly confidential and shall not share any information, unless required under law or waived or permitted by the customer.

The Company shall take necessary steps to inform its customers of their right to information regarding their account and the facilities available to them.

The Company shall make its endeavors to ensure that all advertising and promotional material released by the Company is clear, transparent, and not misleading.

The Company shall inform its customers of all financial information such as rates of interest including penal interest on default, EMIs, all applicable charges, method of calculation etc in advance to enable the intending customer to take informed decision before accepting the terms & conditions of the products. The terms and conditions of the loan that may be sanctioned to a customer shall be explained during the course of meeting with the customer prior to entering into any transaction. The rate of interest shall be mentioned as annualised rate so that the borrower is aware of the exact rates that would be charged to the account.

The Company shall endeavor to keep its customers informed of any change in interest rates / charges etc in advance through letters/e-mails/messages or any other form of general or public announcement or displays, from time to time.

The Company shall not charge excess interest other than legitimate receivables.

No discrimination shall be made in applying rate of interest and charges to same class of borrowers. 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 Company shall accept a guarantee or other security from someone towards liabilities of our customer provided he is fully convinced about the legal implications involved in the matter which shall be explained to him/her/them. The Company shall ask the customer for his/her permission to give confidential information about his finances to the person giving guarantee or other security, or to their legal adviser. The deed of guarantees/guarantee clause to be executed by the guarantors would cover their obligations, liabilities and circumstances in which they can be called upon to pay the dues of the customer/borrower.

4. Applications for loans and their processing

- All communications to the borrower shall be in the English/Vernacular language or a language as understood by the borrower.
- Loan application forms include necessary information which affects the interest of the borrower so that an informed decision can be taken by the borrower. The loan application form indicates the documents required to be submitted with the application form.
- An acknowledgement for receipt of all loan applications is given once the completed loan application form alongwith the documents is submitted while applying for loan.

5. Loan appraisal and terms/conditions

The borrower is conveyed in writing in the vernacular 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. Penal interest charged by the Company for late repayment is also specified in bold in the loan agreement.

The Company in the normal course of its business shall endeavor at all times to guide its customers about the process and procedure to be followed for availing a loan. Each application shall be considered independently on merit.

It shall be the endeavor of the Company to inform the customer whose application has been rejected explaining with the reasons for rejection.

A copy of the loan agreement as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement is provided to all the borrowers at the time of disbursement of loans.

6. Disbursement of loans including changes in terms and conditions

A borrower is given notice in the vernacular language or a language as understood by the borrower of any change, after sanction/disbursal, in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Changes in interest rates and charges are effected only prospectively.
Decision to recall of loan is taken in accordance and consonance with the loan agreement.

Upon repayment of all dues or on realisation of the outstanding amount of loan, subject to right of lien or any other legitimate right of the Company for any other claim the Company may have against borrower, the Company shall release all securities. If such right of set off is to be exercised, 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.

7. Determination of Interest Rate, Processing, Penal and other charges

The Company shall have a Board-approved policy for determining the interest rates, processing fees and other charges applicable to its loan products. The Company shall adopt an appropriate internal methodology for determining the rate of interest, taking into account relevant factors such as cost of funds, operating costs, credit risk, tenor of the loan, collateral/security, borrower profile and prevailing market conditions.

The rate of interest and the approach for gradation of risk and rationale for charging different rates of interest to different categories of borrowers shall be disclosed transparently to the borrower in the loan application form and/or sanction letter, as applicable. The rate of interest shall be communicated as an annualised rate so that the borrower is aware of the exact rate applicable to the loan.

The Company shall disclose upfront to the borrower all applicable fees, processing charges, service charges, prepayment/foreclosure charges, penal charges and other charges relating to the loan, as applicable. No charge which has not been disclosed to the borrower at the time of sanction shall ordinarily be levied subsequently, except where permitted under the terms of the loan agreement and applicable RBI regulations. Any change in fees or charges shall be communicated to the borrower in advance and shall be applicable prospectively.

The Company shall ensure that the interest rates, processing fees and other charges are reasonable, transparent and commensurate with the relevant product and services provided. The Company shall not charge excessive interest or charges and shall ensure that borrowers belonging to the same category are not discriminated against in the application of interest rates and charges.

The Company shall prominently disclose applicable interest rates, common fees and charges, including penal charges, on its website under the relevant section relating to interest rates and service charges and through other appropriate customer communication channels.

Penal Charges:

The penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as ‘penal charges’ and shall not be levied in the form of ‘penal interest’ that is added to the rate of interest charged on the advances. There shall be no capitalisation of penal charges, i.e., no further interest shall be computed on such charges.

The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.

The penal charges can be different within the same product category depending upon the amount of loan and the Company may adopt a suitable structure of penal charges subject to adherence to the above stipulations. The structure of penal charges within a particular loan / product category shall be uniform irrespective of the constitution of the borrower.

The penal charges in case of loans sanctioned to ‘individual borrowers, for purposes other than business’, shall not be higher than the penal charges applicable to non-individual borrowers for similar non-compliance of material terms and conditions.

The quantum and reason for penal charges shall be clearly disclosed by the Company to the customers upfront in the loan agreement and Most Important Terms & Conditions/ Key Fact Statement as applicable, in addition to being displayed on the Company’s website under Interest rates and Service Charges.

8. Loan facilities to the physically / visually challenged

The Company shall not discriminate in extending products and facilities including loan facilities to physically / visually challenged applicants on grounds of disability. All branches of the Company shall render all possible assistance to such persons for availing of the various business facilities. The Company shall include a suitable module containing the rights of persons with disabilities guaranteed to them by the law and international conventions, in all the training programmes conducted for its employees at all levels. The Company shall ensure redressal of grievances of persons with disabilities under the Grievance Redressal Mechanism.

9. General

- The Company shall refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement unless information, not earlier disclosed by the borrower, has been noticed.
- In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the Company, if any, is conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.
- As a measure of customer protection, the Company shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers.
- In the matter of recovery of loans, the Company shall not resort to undue harassment viz., persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc. The Company shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.

10. Engagement of Recovery Agents

The Company shall ensure that the Direct Selling Agents /Direct Marketing Agents/ Recovery Agents are properly trained to handle their responsibilities with care and sensitivity, particularly the aspects such as soliciting customers, hours of calling, privacy of customer information and conveying the correct terms and conditions of the products on offer, etc.

The Company shall obtain the undertaking of DSA / DMA / Recovery Agents to abide by the code of conduct. In addition, Recovery Agents shall adhere to extant instructions on Fair Practices Code for the Company as mandated by RBI as also its own code for collection of dues and repossession of security. The Company shall endeavor to ensure that the Recovery Agents refrain from action that could damage the integrity and reputation of the Company and that they observe strict customer confidentiality.

The Company shall strictly ensure that it or its agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends, sending inappropriate messages either on mobile or through social media, making threatening and/ or anonymous calls, persistently calling the borrower and/ or calling the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc.

The Company shall

(1) Not engage Telemarketers (DSAs / DMAs) who do not have any valid registration certificate from DoT, Government of India, as telemarketers;

(2) Furnish the list of Telemarketers (DSAs / DMAs) engaged by them along with the registered telephone numbers being used by them for making telemarketing calls to TRAI; and

(3) Ensure that all agents presently engaged by them register themselves with DoT as telemarketers.

11. Responsibility of Board of Directors

The Board of Directors of the Company has laid down the appropriate grievance redressal mechanism within the organization. The Board of Directors of the Company periodically reviews the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management.

12. Application

This code is applicable to all persons offering the Products and/or Services of the Company as an employee or otherwise in any manner and/or by any mode.

The Code is applicable under normal operating environment except in the event of any force majeure.

The Code is based on ethical principles of integrity and transparency and all actions and dealings shall follow the spirit of the Code.

13. Know Your Customer Guidelines

The Company shall assist its customers in understanding the Know your Customers & Anti Money Laundering guidelines which are applicable to him/her/them so that he or she complies with the requirements of Know Your Customer norms (KYC) and the Anti Money Laundering Policy (AML).

The Company will cause the customer to comply with the KYC and AML or any other statutory requirements, by providing all necessary information/documents. In the event the customer fails to do so, the Company will be at liberty to reject/close the account.

14. Deposit

The Company being registered as a non-deposit taking NBFC, it shall not accept deposit ('public deposit' as defined in RBI Act) in any form from public without written prior approval of RBI.

15. Collection of Dues

The Company shall provide the customers with all the information regarding their dues and provide reasonable time for payment of the same.

The Company shall while protecting its interest adopt reasonable and lawful measures to recover its dues from defaulting customers, including use of persuasive methods for the purpose of collection of its dues. No staff or authorized agent (if engaged) of the Company shall adopt any unlawful method or resorting to harassment for collection of dues.

16. Repossession of Assets lien/hypothecated with the Company

The loan agreement shall have 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 the due process shall be followed regarding:-

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

A copy of such terms and conditions is 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.

17. Complaints and Grievances

The customer can approach the customer care through any of the modes mentioned below for any suggestion or to register a complaint and expect a response within 30 days from complaint registration.

Phone: Customer can call the Branch at the number**+91935490011** between 10.30 AM to 06:00 PM, Monday to Saturday except Tuesday and except public holidays.

Email: Customers can write to us at the email Id **sanvinfincapbr0002@gmail.com**

Branch: Customers can visit our branches and handover a complaint letter to the Branch Manager or any other branch personnel. The customer is advised to take an acknowledgment of receipt with date from the branch personnel he/she is handing over the complaint letter.

Letter: Customers can write to us at

Sanvin Fincap Private Limited
G-1st 311, 2nd Floor, Madangir
New Delhi - 110062

ESCALATION MATRIX

In case the customer does not receive a response within 30 days or if the customer is dissatisfied with the response received from the Company, the customer may escalate the complaint to the next level as indicated below:

Name of Nodal Officer	**Email ID**	**Contact No**
Mr. Vinod Aggarwal	nodal.sanvinfincap@gmail.com	+911140618943

Customers are required to quote the complaint reference number provided to them in their earlier interaction, if any, along with their loan account number to help us understand and address their concerns.

Normally, the customer would receive a response within 15 days and due efforts will be taken to resolve the complaint well before that.

If the customer is not satisfied with the resolution received or if the customer does not hear from us in 30 days, then he/she may lodge their complaint on RBI CMS portal - https://cms.rbi.org.in Or send your complaint form to the below mentioned address:

Centralised Receipt and Processing Centre,
Reserve Bank of India, 4th Floor,
Sector 17, Chandigarh – 160017
Toll free No. – 14440

For the benefit of customers the above information is also displayed prominently at the branch(s) of the Company.

****