RARE ASSET RECONSTRUCTION LIMITED
POLICY ON FAIR PRACTICE CODE

1. INTRODUCTION

1.1 Rare Asset Reconstruction Limited is incorporated as a company under the provisions of the Companies Act, 2013 and also registered with Reserve Bank of India ("RBI") under section 3 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). The principal object of the Company is to carry on the business of Securitization and Asset Reconstruction as defined in section 2 of the SARFAESI Act. The Company acts as an Investment Manager / Trustee for various trusts set up for acquisition of financial assets from Banks and Financial Institutions (FIs) under the provisions of the SARFAESI Act. Further, as per section 7 of the SARFAESI Act, the Company may raise funds from Qualified Institutional Buyers (QIBs) by formulating schemes in the nature of Trust for acquiring financial assets and the Company shall hold the financial assets so acquired in trust for the benefit of the Security Receipt holders. QIBs investing in the trust shall be issued Security Receipts (SR) which represent the undivided right, title or interest of the Security Receipt holder in the financial asset involved.

1.2 RBI vide its Circular No. DOR.NBFC(ARC) CC No. 9 / 26.03.001/ 2020-21 dated July 16, 2020 (**Attached**), has issued guidelines on Fair Practices Code for Asset Reconstruction Companies setting to set highest standards of transparency and fairness in dealing with stakeholders. The Company endeavors to have policy guidelines on 'Fair Practices Code' (FPC). The Company shall adopt all the best practices prescribed by RBI from time to time for Asset Reconstruction Companies and shall make appropriate modifications, if any, necessary to this Code to confirm to the standards so prescribed.

1.3 It is, and shall be, the policy of the Company to make available its services to all eligible qualified applicants, whether body corporate or individual, without discrimination on the basis of race, caste, colour, religion, sex, marital status, age or handicap.

1.4 The Company's policy is to treat all the clients consistently and fairly. The employees of the Company will offer assistance, encouragement and service in a fair, equitable and consistent manner. The Company will also communicate its Fair Practices Code to its customers by uploading the FPC on its website.

1.5 The Company will ensure that the implementation of the FPC is the responsibility of the entire organisation. The Company's fair practices shall apply across all aspects of its operations including marketing, financial asset acquisition from banks and financial institutions, resolution of financial assets so acquired, servicing and collection activities. Its commitment to FPC will be demonstrated in terms of employee accountability, training, counseling, monitoring, auditing programs, internal controls, and optimal use of technology.

1.6 The Company's Board of Directors and the management team are responsible for implementing the fair practices hereinafter detailed, and also to ensure that its operations reflect its strong commitment to all the stakeholders for offering services in a fair and equitable manner and that all employees are aware of this commitment.

2. FAIR PRACTICE CODE FOR THE COMPANY

2.1 The fair practice code is detailed herein, which sets the principles for fair practice standards while dealing with various stake holders, including the shareholders, investors/ SR holders and also the borrowers.

2.2 Acquisition of Financial Assets and Resolution thereof, by the Company will be governed by policy in this respect approved by the Board. The Company will also comply with all the applicable laws, rules and regulations viz. SARFAESI Act, Security Interest (Enforcement) Rules, 2002 and various other statutory laws and strictly adhere to the Securitization Companies and Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003, as amended from time to time (RBI Guidelines to SCs & RCs).

3. ACQUISITION OF FINANCIAL ASSETS

The Board of Rare ARC has approved the "Financial Asset Acquisition Policy" at the Board meeting held on November 24, 2016 and reviewed at the Board meeting held on January 4, 2019. Some of the key features of the Policy are brought out hereunder.

3.1 Acquisition of financial assets by the Company shall be in conformity with all the provisions of the SARFAESI Act and the RBI Guidelines to SCs & RCs, as also other laws on the subject.

3.2 All transactions shall be carried out in a transparent manner, at a fair price; and at arm's length from the sponsors after a thorough exercise of legal, financial and commercial due diligence.

3.3 The Company shall acquire financial assets where potential for recovery exists and/or where the Company has the potential to add value.

3.4 Financial assets having linkages to the same collateral whether belonging to one bank / FI / eligible NBFC or to various banks/ Fls / eligible NBFCs shall be considered for acquisition to ensure relatively faster debt aggregation and easy realisation.

3.5 Valuation of financial assets shall be done by the Company in transparent manner with the objective of setting a sound basis for the Company and the selling banks/Fls to finalise the acquisition/ sale of assets in a transparent manner.

3.6 The Company will collect the information/documents about the customers from the selling banks/ institutions at the time of acquisition itself.

3.7 In order to enhance transparency in the process of sale of secured assets, wherever feasible and desirable, for ensuring maximum recovery from the underlying assets,

(i) invitation for participation in auction shall be publicly solicited; the process shall enable participation of as many prospective buyers as possible;

(ii) terms and conditions of such sale, if standard processes stipulated under the Sarfaesi Act are not proposed to be followed, would be decided in wider consultation with investors in the security receipts as per SARFAESI Act 2002; and

(iii) spirit of Section 29A of Insolvency and Bankruptcy Code, 2016 would be followed in dealing with prospective buyers.

4. LOAN RECOVERY

4.1 The Company will follow the recourse available under the applicable laws to realize the payments from borrowers. Legal procedures available to the Company for recovery of loans include enforcement of security interest without the intervention of the court under the provisions of SARFAESI Act, 2002 and also filing recovery suit before Debts Recovery Tribunal (DRT) concerned under the provisions of the Recovery of Debts Due to the Banks and Financial Institutions Act, 1993 as also through various other legal for a including under Insolvency & Bankruptcy Code (IBC). While DRT is a judicial forum which shall adjudicate upon the legality of the claim made by the Lender, and pass a judgment on the claim, the SARFAESI Act gives powers of enforcement of security interest to the Banks and FIs (including ARC's) without the intervention of the court. The process for recovery of dues under IBC is also clearly defined. The provisions of the aforesaid Acts provide enough notice and opportunity to the borrowers to challenge the claims/actions of the Company if the same are not in accordance with the laid down legal provisions and procedures. A gist of safeguards available to the borrowers under various enactments is as under:-

A. <u>Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act)</u>

SARFAESI Act was enacted in the year 2002 and, in terms of this Act, powers of enforcement of security interest have been given to the Banks and FIs without the intervention of the court. However, the powers given to the Banks and FIs are not unfettered and are subject to the principles of natural justice and fair play and ensure that there is no misuse of such powers by the Lender. Details of safeguards available to the Borrowers under the SARFAESI Act are as under:-

i) In terms of section 13(2) of the SARFAESI Act, the Secured Creditor is required to issue a notice to the borrower calling upon him to pay the outstanding dues including principal and interest at contractual rate till the date of issuance of notice, within a period of 60 days from the date of such notice, failing which the secured creditor shall be entitled to take any of the measures mentioned in sub section(4) of section 13 of SARFAESI Act. In cases, where service of the notice is not complete for any reason, whatsoever, a copy of the same is pasted on the premises of the borrower, where the borrower resides or works for gain and the same is also required to be published in two local newspapers, one in English and the other in a vernacular language having sufficient circulation in that locality.

ii) Where the Borrower makes any representation in response to the demand notice, a reply to such representation, giving reason for non-acceptance of such objections of the Borrower is required to be sent within 15 days from the date of receipt of such representation, failing which any subsequent action of the Secured Creditor will be null and void;

iii) Where the Borrower fails to make the payment as per the Demand notice, the Authorized Officer of the Secured Creditor may take possession of the secured asset of the Borrower u/s 13(4) of the SARFAESI Act. However, as procedure stipulated in the Security Interest (Enforcement) Rules, 2002 (Enforcement Rules), the possession notice in respect of immovable properties is required to be pasted on the outer door/conspicuous place of the premises of the secured asset and in respect of movable secured assets the presence of two witnesses, drawing of Panchnama and inventory is required to be made and copy of the inventory is given to the borrower. The possession notice in respect of immovable properties is also required to be published not later than seven days in two local newspapers, one in English and the other in vernacular language in that locality;

iv) Before effecting sale of secured asset, the Authorised Officer of the Secured Creditor is required to have the secured asset valued as per Rule 8 (5) of the Enforcement Rules. The valuation is required to be carried out by the valuer, as approved by Company (ARC), who shall also be registered with the Government under Section 34AB of the Wealth Tax Act, 1957. Further, the authorized officer is also required to fix the reserve price for the secured asset in consultation with the secured creditor. This procedure ensures that proper valuation of the security interest is done before effecting sale of security interest by the authorized officer of the secured creditor. Further, as per the provisions of the Enforcement Rules, the authorized officer of the Secured Creditor is required to give thirty days notice to the borrower before effecting sale of the immovable secured asset. The sale notice is also required to be published in two local newspapers having circulation in the locality where the secured asset is situated and is also required to be pasted in the conspicuous part of the secured asset. This procedure ensures that adequate notice is given by the Secured Creditor to the Borrower before effecting sale of secured assets;

v) In terms of section 17 of the SARFAESI Act, the Borrower or any person aggrieved by any action taken by the Secured Creditor under section 13(4) of the SARFAESI Act is entitled to approach the DRT concerned within 45 days from the date on which such measures had been taken by the Secured Creditor. DRT concerned shall examine whether the secured creditor has followed the procedure laid down under the SARFAESI Act and Enforcement Rules made there under, followed procedure laid down by the law and pass order accordingly. Any person aggrieved by the order of the DRT, is entitled to approach the Appellate Tribunal against the order passed by the DRT.

This procedure ensures that the action of the Secured Creditor is subject to judicial scrutiny and hence nullifies the chances of misuse of powers given to the Secured Creditor.

B) Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (DRT Act)

DRT Act was enacted in the year 1993 for speedy recovery of the Debts due to the Banks and Financial Institutions. Various Debts Recovery Tribunals (DRT) and Debts Recovery Appellate Tribunals (DRATs) have been established across the country. DRT is a judicial forum which

adjudicates upon the claims of the Banks and Financial Institutions and if found in order, passes order for recovery of debts due to such Bank or FI. Once the order for recovery is passed, Recovery Officer attached to the concerned DRT proceeds to realize the dues owing to such Bank and FI. Under the provisions of the DRT Act, a Bank or a Financial Institution to whom a Borrower owes a debt of Rs.10.00 lacs or more, may file application before the concerned DRT. DRT being a judicial Forum, no judgment/order detrimental to the interest of the Borrower/Guarantors shall be passed by the DRT without giving an opportunity of being heard to the Defendants. Relevant provisions of the DRT Act safeguarding the interest of the Borrowers are as under:-

(i) DRT shall be presided over by a Presiding Officer who shall be or qualified to be a District Judge. DRAT shall be presided over by the Chairperson, who shall be or qualified to be a High Court Judge;

(ii) In terms of the provisions contained in section 19(3) of the DRT Act, the Bank/FI concerned shall submit all the documents relied upon in support of the claim made by the said Bank / FI in the application filed with DRT under section 19(1) of DRT Act ;

(iii) As per section 19(4) of the DRT Act, on receipt of the application from the Bank / FI concerned, summons is issued to the Defendants concerned to appear before the DRT.

(iv) Borrowers/Defendants are also given an opportunity to file written statement in reply to the application filed by the Bank / FI for recovery of debts.

(v) Borrowers/Defendants may also make, counter claim, if any, against the Bank / FI while filing written statement to the application filed by the Bank/ FI concerned.

(vi) Borrowers/Defendants are also entitled to submit evidence in support of their claim before the DRT and may also have examination of Bank/ FI's witness with the permission of the DRT ;

(vii) After examination of the claims of the Bank / FI concerned as well as the Borrower / Defendants, if the DRT comes to the conclusion that claim made by the Bank / FI is valid, DRT shall pass judgment / Final Order in favour of the said Bank / FI. Thereafter, Recovery Officer attached to the DRT shall proceed to recover the dues of the Defendants by attachment and sale of the movable and immovable properties of the Defendants.

(viii) If Borrower / Defendants are aggrieved by any order of the Presiding Officer, the Borrower / defendants concerned may approach the Appellate authority viz; the Debts Recovery Appellate Tribunal (DRAT) for remedy, within forty five days from the date on which a copy of the order is made or deemed to have been made.

(ix) If any person is aggrieved by an order of the Recovery Officer under the DRT Act, an appeal may be filed before the Presiding Officer, DRT within thirty days from the date on which order is issued to him.

(x) If the borrower is a company registered under the Companies Act, 1956/ 2013 against which the certificate of recovery has been issued, the DRT may order the sale proceeds of such company to be distributed amongst the secured creditors in accordance with the relevant provisions of the Companies Act / IBC.

(xi) In terms of section 19(24) of DRT Act, DRT shall dispose off the application made to it under section 19(1) or (2) of DRT Act as expeditiously as possible and endeavor shall be

made by it to dispose of the application finally within 180 days from the date of receipt of application.

In view of the above, the provisions of the DRT Act are in compliance with the principles of natural justice as adequate opportunity is given to the Borrower/Defendants to contest the claim of the Bank / FI concerned before the DRT.

C) Recovery Under Insolvency & Bankruptcy Code, 2016

(i) IBC was enacted in 2016 to address insolvency for Corporate and non-corporate debtors, with the purpose of consolidating and amending the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders including alteration in the order of priority of payment of Government dues and to establish an Insolvency and Bankruptcy Board of India, and for matters connected therewith or incidental thereto.

(ii) There is a specified procedure for admission of the case under Corporate Insolvency Resolution Process (CIRP), where application for admission may be made by the Debtor or any of the creditors having a minimum quantum of claim, in case of default in payment of dues by the Borrower. The entire process is administered by the NCLT, which, on admission of the case under CIRP, appoints a Resolution Professional, who has to follow defined processes to resolve the case. This is a totally transparent process, with adequate public disclosure.

(iii) The NCLT, before admission of the case under CIRP, gives an opportunity to the Borrower to contest / dispute the claim of the Creditor, and only after the NCLT is satisfied about the genuineness of the claim, is the case admitted. The Borrower (or any other aggrieved party has remedy to appeal against the decision of the NCLT (regarding admissibility or any other decision during the Resolution Process) in NCLAT or higher judicial forum.

(iv) As per recent amendment(s), promoters / connected parties of defaulting Borrowers, if the Borrower is an MSME and not declared as willful defaulter, are permitted to submit Resolution Plans (envisaging payment of dues to creditors, besides reviving the operations of the Business). The process under IBC addresses /resolves all liabilities of the Borrower simultaneously, and with the approval of the Court (NCLT) ensures that future litigations are minimized and Companies can be revived expeditiously.

In view of the above, the provisions of the IBC are in compliance with the principles of natural justice as adequate opportunity is given to the Borrower/Defendants to contest the admissibility and any other decision / order / judgement during the resolution process, before the NCLAT or higher judicial forum.

4.2 Engaging Recovery Agents – (Outsourcing)

Safeguards available to the Borrowers under the regulatory guidelines

The loans acquired / to be acquired by the Company under the retail vertical include housing loans, personal loans and vehicle loans and the most commonly adopted means for recovery of personal loans is through engaging Recovery Agents, who shall follow up with the Borrowers for repayment of the amounts due. In order to ensure that the Recovery Agents engaged by the Lenders do not indulge in malpractices and to avoid undue hardships being caused to the Borrowers, Reserve Bank of India (RBI) has issued Guidelines dated April 24, 2008 for regulating the functioning of Recovery Agents. Salient features of the aforesaid Guidelines issued by RBI to Banks while engaging Recovery Agents are as under:-

(i) Banks should have a due diligence process in place for engagement of recovery agents, which should be so structured to cover, among others, individuals involved in the recovery process;

(ii) To ensure due notice and appropriate authorization, banks should inform the borrower the details of recovery agency firms / companies while forwarding default cases to the recovery agency. Further, since, in some of the cases, the borrower might not have received the details about the recovery agency due to refusal / non-availability / avoidance and to ensure identification, it would be appropriate if the agent also carries a copy of the notice and the authorization letter from the bank along with the identity card issued to him by the bank or the agency firm / company. Further, where the recovery agency is changed by the bank during the recovery process, in addition to the bank notifying the borrower of the change, the new agent should carry the notice and the authorization letter along with his identity card;

(iii) The notice and the authorization letter should, among other details, also include the telephone numbers of the relevant recovery agency. Banks should ensure that there is a tape recording of the content / text of the calls made by recovery agents to the customers, and vice-versa. Banks may take reasonable precaution such as intimating the customer that the conversation is being recorded, etc ;

(iv) The up to date details of the recovery agency firms / companies engaged by banks may also be posted on the bank's website;

(v) Where a grievance/ complaint has been lodged, banks should not forward cases to recovery agencies till they have finally disposed of any grievance / complaint lodged by the concerned borrower. However, where the bank is convinced, with appropriate proof, that the borrower is continuously making frivolous / vexatious complaints, it may continue with the recovery proceedings through the Recovery Agents even if a grievance / complaint is pending with them. In cases where the subject matter of the borrower's dues might be *sub judice*, banks should exercise utmost caution, as appropriate, in referring the matter to the recovery agencies, depending on the circumstances;

(vi) Each bank should have a mechanism whereby the borrowers' grievances with regard to the recovery process can be addressed;

(vii) In the matter of taking possession of mortgaged properties and repossession of hypothecated vehicles, the Banks shall rely only on legal remedies available under the

relevant statutes while enforcing security interest without intervention of the Courts. Further, before taking repossession of vehicles, Banks shall give due notice to the obligants before taking re-possession of the vehicle.

The Company will follow the provisions of the aforesaid RBI guidelines in its retail collection procedure except in cases where the collection of loans are carried out by the Seller Bank itself. Further, in the matter of recovery of loans, the Company will not resort to harassment of the debtor. The Company shall ensure the staff is adequately trained to deal with customers in an appropriate manner.

(i) The Company shall put in place a Board approved Code of Conduct for Recovery Agents and obtain their undertaking to abide by that Code. The Company, as principals, are responsible for the actions of their Recovery Agents.

(ii) It will be stipulated and ensured that the Recovery Agents observe strict customer confidentiality.

(iii) The Company shall ensure that Recovery Agents are properly trained to handle their responsibilities with care and sensitivity, particularly in respect of aspects such as hours of calling, privacy of customer information, etc. The Company shall stipulate and ensure that Recovery Agents do not induce adoption of uncivilized, unlawful and questionable behaviour or recovery process.

The Company will release all securities on repayment of all dues or on realization of the outstanding amount of loan subject to any legitimate right or lien for any other claim the Company may have against the borrower. Notice to the borrower 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, will be given, if such right of set off is to be exercised.

4.3 RESTRUCTURING

(i) The business plan should be arrived at after discussing with the Borrower.
(ii) Terms and conditions governing Restructuring loans including repayment period, applicable rate of interest, performance stipulations, upfront payment by borrower, personal guarantee etc should be documented.
(iii) A copy of the Loan Agreement/ Term Sheet / Restructuring letter should be furnished to the Borrower who, along with the guarantors, shall countersign the same in token of acceptance of the terms and conditions of restructuring
(iv) Events of Default/ Recall of Advances/ Trigger points for withdrawal of any loan/facility should be clearly spelt out in the Term Sheet/Agreement / Restructuring letter.

4.4 GUARANTORS

1.1 The Company will inform the person who stands as a guarantor to a loan:

a) His/her liability as a guarantor ;
b) The amount of liability he/she will be committing himself/herself to the Company ;
c) Circumstances in which the Company will call on him/her to pay up his/her liability;
d) Whether the Company have recourse to his/her other monies, if he/she fail to pay up as a guarantor;
e) Time and circumstances in which his/her liabilities as a guarantor will be discharged as also the manner in which the Company will notify him/her about this.

1.2 The Company will also keep him/her informed of any material adverse changes in the financial position of the borrower to whom he/she stands as a guarantor.

5. INVESTORS IN SECURITY RECEIPTS

The Board of Rare ARC has approved the "Policy on Issue of Security Receipts" at the Board meeting held on November 24, 2016 and reviewed at the Board meeting held on January 4, 2019. Some of the key features of the Policy are brought out hereunder.

a) The Company will ensure absolute transparency in dealing with existing and proposed investors.
b) Prospective investors will be provided all the requisite details regarding the proposed investments in Non Performing loans on Security Receipt (SR) basis or Cash basis.
c) The prospective investors will be given all the information in the detailed offer document.
d) The Company will not misuse the funds provided by investors on the basis of trust. The funds shall not be utilized for any purposes other than acquiring the financial assets, making any payments and charges directly related to said acquisition, reimbursement of expenses incurred in relation to acquisition & resolution of said asset.
e) The Company will provide quarterly updates as stipulated by Reserve Bank of India from time to time to the SR holders to apprise them of all relevant developments pertaining to the Assets assigned to the Company which, interalia, contain:
    - Defaults, prepayments, losses, if any, during the quarter
    - Change in profile of assets by way of accretion to or realization of Assets from existing pool
    - Collection summary for the current and previous quarter
    - Any other material information which has a bearing on the earning prospects affecting SR Holders
    - Latest recovery rating reports from accredited rating agency (to be given twice a year), and the NAV as declared by the Company.
f) The Company shall make all efforts to effect the resolution of all the cases within the prescribed time frame.
g) In the event of non-realization of the financial assets, the SR holders representing 75% of the total value of SRs issued by the Company, can call for a meeting of all the SR holders in a particular scheme and every resolution passed in such meeting shall be binding on the Company.
h) Management fee, expenses and incentives charged to Trust

- The matters relating to charging of management fee, incentive fee and other expenses incurred by the Company for managing the scheme(s) floated by the trust, will be decided on a case to case basis (as generally specified by the Seller of Financial Assets, where the Seller is also a co-investor in Security Receipts) and shall be subject to approval of the Acquisition Committee / Delegated authority.
- Where the Acquisition from Selling Banks is on 100% cash basis, and is still being acquired by a Trust, the management fee, incentive fee and other expenses would be fair and reasonable considering the nature of the financial transaction (including the risk reward scenario). As such, in case there is an outside Qualified Buyer as co-investor in the SRs, the terms would need to be mutually acceptable, and would be subject to approval of the Acquisition Committee / Delegated authority.

6. Outsourcing by the Company

a) Outsourcing through Recovery Agents is brought out in para 4.2 above.

b) Other Outsourced activities would be towards due diligence at the time of acquisition of NPA from banks / FIs, Valuation of assets, legal and security agencies. It will be ensured that the Outsourced agencies have the necessary background and experience to perform their assigned function satisfactorily.

c) Due diligence – Independent professionals (or firms) with Banking / Finance and / or legal background would be appointed, where necessary, to undertake due diligence of cases prior to acquisition from the Bank / FI.

d) Valuers – Approved valuers would be appointed for valuation of fixed and /or current assets, particularly where the Banks valuation is more than one year old. Valuation reports shall, inter alia, include fair market value and distress sale value of the underlying assets, and these values would be key to fixing Reserve price for Sarfaesi sale of NPAs and/or negotiation of OTS with Borrowers / Guarantors.

e) Legal – Advocates would be appointed to file / follow up litigation cases in various courts. In general, the advocates appointed by the Selling banks would be continued, unless there is satisfactory reason for a change.

f) Security agencies – Appointment of security guards for cases under physical possession would be outsourced to security agencies.

g) The appointment letters issued to the outsourcing agencies would clearly specify the role of the agency, the scope of work, the output/time frame expected etc. While a detailed 'Scope of Activity' would be standardized, the same also require some degree of customization. Wherever required agreements would be entered into with the outsourcing agency. Periodic feedback would be obtained from the agencies.

h) Conflict of interest would be checked at the time of appointment of the service provider.

7. **Confidentiality**

a. Unless authorized by the borrower, the Company will treat all personal information as private and confidential.

b. The Company will not reveal transaction details to any other entity including within the group other than the following exceptional cases:

- If the Company has to provide the information by statutory or regulatory laws,
- If there is a duty to the public to reveal this information.
- If its interest requires the Company to provide this information (e.g. fraud prevention).
- The Company will not use this reason for giving information about borrower to anyone else (including group companies) for marketing purposes.
- If borrower has given consent / concurrence to provide/ share such information to its group / associate / entities or companies for providing other products or services.
- Where the borrower asks the Company to reveal such information to its group / associate / entities or companies for providing other services or products.

8. **Grievance Redressal Mechanism**

The Company has adopted Board approved Grievance Redressal Policy within the organization to resolve disputes arising in this regard, which is placed on the website. Such a mechanism shall ensure that all disputes arising out of the decisions of the Company's 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 shall be submitted to the Board at regular intervals, as may be prescribed by it.

a. The Company will guide borrowers who wish to lodge a complaint and also provide guidance on what to do in case the borrower is unhappy with the outcome.

b. After examining the matter, the Company will send a response as soon as possible; the Company will also guide a borrower on how to take the complaint further if the borrower is not satisfied.

c. A designated officer shall be appointed for the redressal of grievances of the customers including the borrowers, in connection with any matter pertaining to business practices, lending decisions, credit management and recovery. The name and contact details of the designated grievance redressal officer shall be mentioned in the communication with the borrowers.

9. Review of the policy

This policy would be reviewed at least once in 2 years, to keep it current with regulatory and business requirements.

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