

FAIR PRACTICES CODE

This code may be known as – “Fair Practices Code” hereinafter referred to as “The Code”.

This code has been made pursuant to Reserve Bank of India Master Circular No. DNBR (PD) CC.No.054/03.10.119/2015-16 dated July 1, 2015.

This Fair Practices Code will supersede all the fair practices code adopted earlier.

OBJECTIVE OF CODE

To provide guidelines to NBFCs to be adopted while doing lending business. The guidelines inter alia, covered general principles on adequate disclosures on the terms and conditions of a loan and also adopting a non-coercive recovery method.

APPLICATIONS FOR LOANS AND THEIR PROCESSING

- (a) The Loan application forms will be in English – for all corporate and business class borrowers and also for individuals.
- (b) The Loan application form and all other Communications shall be in the vernacular language or a language as understood by the borrower if the borrower does not understand English.
- (c) Application form will be completed giving information like name, fathers name, permanent address, date of birth/incorporation, phone no., Email ID etc to facilitate communication between borrower and lender.
- (d) Application form found incomplete with any information is liable to be rejected.
- (e) The terms and conditions on which loans to be advanced will be guided by the norms and regulations prescribed by Reserve Bank of India, from time to time.
- (f) The Company may reject any loan application without assigning any reason to the borrower if it is discovered by it that the borrower has concealed any information to the Lender or that the Repayment of the same is felt doubtful.
- (g) Upon receipt of Loan application form the company will issue acknowledgment for receipt and the tentative date by which the application will be disposed off will be mentioned therein.
- (h) No application will remain non–responded for more than 30 working days from the date of submission.
- (i) Loan will be sanctioned only when the information and documents are completed.
- (j) No processing fees will be charged by the Company.
- (k) Upon sanction of the Loan the Company will issue sanction letter in duplicate setting out the terms and conditions of said loan.
- (l) The Borrower will return the duplicate copy of the sanction letter duly signed as a confirmation of acceptance of the terms and conditions of the said loan.

(m) No loan will be disbursed unless the sanction letter is duly signed as a confirmation of acceptance of the terms and conditions is received from the borrower.

(i) Loan will be disbursed in one go or in installments as required by the borrower.

LOAN APPRAISAL TERMS AND CONDITIONS

1. The Company shall convey to the Borrower the amount of Loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and will keep the acceptance of these terms and conditions in its record. The Company shall mention panel interest, if any charged for the late repayment in bold in the loan agreement and on its acceptance by the borrower, the Company cannot be accused of charging, high interest or panel, interest.

2. The borrower is advised to accept the loan application after carefully reading the terms & conditions in the loan agreement.

3. To avoid any duplicate between the company and the borrower with regard to the terms and conditions on which the loan is granted, The Company would furnish a copy of the Loan agreement to the borrower along with the Copy of each enclosures quoted in the loan agreement at the time of disbursement of Loan.

DISBURSEMENTS OF LOANS/CHANGES IN TERMS AND CONDITIONS

a. The Company will give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. Any change in interest rates and charges shall be effective only prospectively. An express condition in this regard will be incorporated in the loan agreement. Any decision to recall/accelerate payment or performance under the agreement will be in consonance with the loan agreement.

b. 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 borrower. 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.

GENERAL

a) The Company will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the lender).

b) 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, should be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

c) In the matter of recovery of loans, the Company will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc.

d) As a measure of customer protection and also in order to bring in uniformity with regard to prepayment of various loans by borrowers of banks and Company, The Company shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to individual borrowers, with immediate effect.

REDRESSAL OF COMPLAINTS

The complaints if any shall be redressed by

1. The Company Secretary of **TTI Enterprise Limited**, Tel: 033-30229197, Email address: tti1711@gmail.com, will act as the Grievance Redressal Officer under the Fair Practice Code who can be approached by the public for resolution of complaints against the Company.

2. If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Regional Office of Department of Non-Banking Supervision (DNBS), Reserve Bank of India, 15, N.S. Road, 5th Floor, Kolkata-700001, West Bengal, under whose jurisdiction the registered office of the Company falls.

RESPONSIBILITY OF BOARD OF DIRECTORS

The Board of Directors of the Company will constitute a Grievance Redressal Mechanism to resolve disputes arising in this regard. Such a mechanism should ensure that all disputes arising out of the decisions of lending institutions' 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 may be submitted to the Board at regular intervals, as may be prescribed by it.

REGULATION OF EXCESSIVE INTEREST RATES

(a) The Board of Company adopts an interest rate model taking into account 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.

(b) The rates of interest and the approach for gradation of risks shall also be made available on the web-site of the company or published in the relevant newspapers. The information published in the website or otherwise published shall be updated whenever there is a change in the rates of interest.

(c) The rate of interest shall be annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

Notes:

1. *Our Company is not an NBFC-MFIs so the fair practices that are specific to their lending business and regulatory framework is not applicable.*

2. *At present the Company does not give loans against collateral of gold Jewellery and does not finance possession of vehicles. However, the Company shall comply with Fair Practice Code in this regard as and when it starts lending against collateral of Gold Jewellery and possession of vehicles.*