



## **FAIR PRACTICE CODE**

**FAIR PRACTICES CODE (“FPC”)** has been devised by Mansa Mata Finance Private Limited hereinafter referred as “Company” with an aim to achieve harmonization of best practices when the Company is dealing with all the stakeholders viz customers, employees, vendors, government, consultants etc. It is Company’s endeavor towards stakeholders which includes a commitment to the communities in which their businesses operate and includes a responsibility for ensuring that those businesses operate according to the highest legal and ethical standards.

This Fair lending practices applies across all aspects of the operations including marketing, loan origination, processing, servicing and collection activities. Company’s commitment to Fair Practice Code shall be demonstrated in terms of employee accountability, monitoring and auditing programs, training and technology. This Fair Practices Code applies to all categories of products and services offered/to be offered by Company. The guidelines inter alia, covers general principles on adequate disclosures on the terms and conditions of a loan and adopts a non-strong recovery method.

### **Key Aspects:**

**The principle of FPC lies in the following and Company would strive to follow them:**

1. Ensuring the fair practice in dealing with customer and to comply with RBI/statutory guidelines on fair practice on time to time basis.
2. To aid and enable customers in having better understanding of the product and what they can reasonably expect of the services provided such as applying for loans, taking informed decision, making them aware of the terms and conditions.
3. To attempt in good faith to resolve any disputes or differences with customers.
4. Greater transparency in dealing with customers/borrowers and to disclose all charges including processing fees and other borrowing related charges.
5. To comply with all the regulatory requirements in good faith.
6. Enhancing customer confidence and supporting them.

7. Ensure compliances relating to Indian laws relating to fair practices as may be prescribed under Company's policies and practices.
8. Promote good, fair, transparent and legally tenable practices by setting minimum standards in dealings with customers.
9. Reckon with market forces, through competition and strive to achieve higher operating standards.
10. Foster fair and cordial relationship between the customers and the Company.

### **Applications for Loan & their processing**

1. Customers who have showed interest in availing the loan from Company should fill up the loan application form, complete in all aspects and should submit the same to the Company.
2. The application so received will be acknowledged by the Company immediately on submission and a designated credit committee of the Company will consider the application. The Committee will review all the documents submitted and the information provided, verify the creditworthiness of the customer and evaluate the proposal at its sole discretion and will grant loan by issuing a sanction letter within a month from the date of receipt of the loan application and if no communication is received by the customer, the loan application is deemed to have been rejected and the Company will not send any communication for rejected cases.
3. If customer doesn't understand English, sanction letter may be translated (at the cost of customer) in the vernacular language and be issued to all borrowers whose loan have been sanctioned after due diligence within 15 (Fifteen) days of the sanction date.

### **Loan Appraisal and Terms & Conditions**

The sanction letter in English and in vernacular language (if demanded) would convey the following:

1. amount financed
2. documents to be submitted for disbursement of the loan
3. the rate of interest
4. processing and other charges
5. details of security to be offered
6. repayment schedule

7. penal interest or delayed payment charges (in case of delay in payments of installments beyond due dates)
8. document to be executed by the guarantor and co-borrower for disbursement of loan.
9. Copy of the sanction letter will have to be accepted. The customer will have to return to the Company a copy of the sanction letter duly acknowledged by him/her as a token of acceptance. Thereafter Company will online transfer / issue cheque in favour of the customer.

#### **Disbursement of Loans, including changes in terms & conditions**

1. Any change in terms of Conditions like change in interest rate, tenure, all charges/fees would be communicated to the borrower in writing in English and in vernacular language (if demanded by customer at his cost).
2. Any decision to recall, accelerate payment would be communicated to the borrower in writing as per the terms of the agreement.
3. NOC to be issued on recovery of all dues. Collateral, if any, will be released along with the NOC (at the cost of customer). Any collateral taken to guarantee the performance of contract will be duly acknowledged and kept in safe custody.

#### **Collection of Dues**

1. If the customer does not adhere to the repayment schedule, a defined process in accordance with the laws of the land shall be followed for recovery of dues. This process shall involve timely reminders and follow-up with the customer. Company collection policy is built on courtesy, fair treatment and persuasion. It believes in building customer confidence and strive hard long-term relationship and would put in best efforts to achieve them.
2. Pre-payment options may also be available to the customer and the penalty payable shall be as per the loan agreement or as mutually agreed by the Parties.
3. Company in the matter of recovery of loan, shall resort only to remedies which are legally and legitimately available to it. Company shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, rude behavior from the officers/ staff of the Company etc. However, company shall have all the

right to publish the name of defaulters and all guarantors with the latest photographs and default details in electronic and print media and that shall not be considered as harassment.

4. Company shall have a right to ask for contact details of family members and acquaintances to be contacted for enquiry about the borrower in case the borrower is not traceable.
5. Company shall ensure that the staff is adequately trained to deal with the customers in appropriate manner.

### **Information Secrecy**

1. All personal information of the customer would be confidential and would not be disclosed to any third party unless agreed by the customer in writing. The term 'Third party' excludes all Law Enforcement Agencies, Credit Information Bureau, Reserve Bank of India, other banks and financial institutions and any other State, Central or Other regulatory body.
2. Customer information would be revealed only under the following circumstances, namely;
  - a) If Company is compelled by law
  - b) If it is in the Public Interest to reveal the information (eg. Defaulter notice in electronic and print media)
  - c) If the interest of Company requires disclosure.

### **Regulation of excessive interest**

1. Company adheres to interest rate framework considering relevant factors such as, cost of funds, margin and risk premium, etc. and determine the rate of interest to be charged for loans and advances.
2. 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 loan application form and shall be communicated to the borrower or customer explicitly in the sanction letter.

3. The rate of interest should be annualized rates (may be compounded on monthly or quarterly basis on case to case basis) so that the borrower is aware of the exact rates that would be charged to the account. Company shall lay out appropriate internal principles and procedures in determining interest rates, processing cost and other charges.

### **Anti-Bribery and Anti-Corruption**

1. Company will not engage in bribery or any form of unethical inducement or payment including facilitation payments and "kickbacks." All the Staff, Ad-hoc staff, Advisers, Consultants, Suppliers, Directors and Individuals acting on behalf of the Company are required to avoid any activities that might lead to, or suggest, a conflict of interest with the activities of Company.
2. Company expects its consultants, management and employees to act with integrity and without thought or actions involving bribery and/or corruption and will, where appropriate, include clauses to this effect in relevant contracts.

