

**FAIR PRACTICES CODE POLICY**  
**“Manoranjan Grah Limited”**

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## **BACKGROUND**

Reserve Bank of India has drafted the guidelines on Fair Practices Code for Non Banking Finance Companies which sets the fair Practices standards when dealing with individual customers and to serve as a part of best corporate Practices.

The Reserve Bank of India, (RBI), vide its notification number DNBS (PD) CC No.80/03.10.042/2005- 06 dated September 28, 2006 and subsequently through various other notifications has prescribed the broad guidelines on fair Practices that are to be framed and approved by the Board of Directors of all Non-Banking Financial Companies (NBFCs). All of this has been consolidated in last Master Circular – Fair Practices Code notification number DNBR.(PD).CC.No.054/03.10.119/2015-16 dated July 1, 2015.

Manoranjan Grah Limited (“MGL”) commits itself to the highest standards of risk management, transparency, compliance and fair Practices while meeting the loan needs in a timely and effective manner. The Company intends that the NBFC’s business be conducted in accordance with the prevailing statutory and regulatory requirements with due focus on efficiency, customer-orientation and corporate governance principles.

We propose to adopt all the best Practices as laid down by the RBI from time to time and shall make appropriate modifications if any necessary to this Code to conform to the standards so prescribed. It is, and shall be, the policy of the NBFC to make available to all eligible qualified applicants, without discrimination on the basis of race, caste, colour, religion, sex, marital status, age or handicap all financial products, either directly or through subsidiaries and / or associates.

## **INTRODUCTION**

Manoranjan Grah Limited (“MGL”) is a company incorporated under the Companies Act, 1913 having Corporate Identification Number (CIN: U92111UP1978PLC004556). It is a non-deposit taking non systemically important non- banking financial company registered and regulated by the Reserve Bank of India (RBI) as a Non Banking Finance Company (NBFC), bearing Registration no. 12.00103 The registered office of the Company is at 13/418 Manik Chowk, Aligarh, Uttar Pradesh 202001.

## **GUIDING PRINCIPLES AND DECLARATIONS**

Our 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 (FPC) to its customers by uploading the FPC on its website.

We as a Company will ensure that the implementation of the FPC is the responsibility of the entire organisation. The Company’s fair lending Practices shall apply across all aspects of its operations including marketing, loan origination, processing, and servicing and collection activities. Its commitment to FPC will be demonstrated in terms of employee accountability, training, counselling, and monitoring, auditing programs and internal controls, and optimal use of technology.

We shall ensure that charges / fees are appropriately informed to the borrower. Terms and conditions pertaining to the facility will be conveyed to the prospective borrowers. We commit that disputes arising out of the lending decisions will be appropriately resolved by a grievance redressal mechanism set up by us.

## KEY COMMITMENTS

The key commitments of putting in place the FPC are as follows.

- i. To act fairly and reasonably in all the dealings with borrowers by ensuring that:
  - a. the Company's products, services, procedures and Practices will meet the broad requirements and standards in the FPC;
  - b. the Company's products and services will be in accordance with relevant laws and regulations as applicable for the time being in force;
  - c. the Company's dealings with its borrowers will rest on ethical principles of honesty, integrity and transparency.
- ii. The Company will assist its customers in understanding as to what are the broad features of its financial products and services and what are the benefits and risks involved in availing the same by:
  - a. providing information about the products and services in simple manner;
  - b. explaining the financial implications of using the products and services.
- iii. The Company will make every attempt to ensure that its customers would have trouble-free experience in dealing with it. However, in case of error of commission and/or omissions, it shall:
  - a. deal with the errors promptly and effectively;
  - b. deal with the Grievances redressal in a quick and efficient manner and to the satisfaction of the customers;
  - c. promptly handle complaints;
  - d. have escalation process, in the event of dissatisfaction of the borrower in handling his complaint(s);

## APPLICABILITY OF FAIR Practices CODE

The FPC will be applicable to the following broad areas:

- a. Loan applications and processing thereof
- b. Loan appraisal and terms/conditions
- c. Disbursement of loans including changes, if any, in terms and conditions
- d. Post disbursement supervision/monitoring
- e. Other general provisions

### **A. Loan applications and processing thereof**

- i. Loan Application Forms will be made available to the prospective borrowers on request.
- ii. 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.
- iii. Loan Application Form may also list out the additional information required from the borrowers and their family members in order to enable the Company to create the database.

- iv. Loan Application Form shall provide for giving an acknowledgement to the borrowers acknowledging receipt of the same.
- v. 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.
- vi. All communication with the borrowers shall in the language understood and confirmed by borrowers.

**B. Loan appraisal and terms/conditions**

- i. The Company shall consider all the loan applications keeping in mind the risk based assessment procedures adopted by it.
- ii. The Company, before sanctioning the loan, would assess the ability of the borrowers to repay the loan.
- iii. The grant of the loan shall be communicated to the borrowers in writing through a Sanction Letter. The borrowers shall give their acknowledgement in writing in token of their acceptance of terms and conditions governing the loan. The Sanction Letter shall contain the broad terms and conditions governing the loan including the annualised rate of interest and method of application thereof.
- iv. A copy of the loan documents including loan agreement and annexes thereof shall be made available to the borrower.
- v. The default interest rate and penal interest charged for late repayment will be mentioned in bold in the loan agreement.

**C. Disbursement of loans including changes in terms and conditions**

- i. Disbursement of amount of loans sanctioned may be made available to the borrowers on demand subject to completion of all formalities including execution of loan documents.
- ii. Any change in the terms and conditions, disbursement schedule, interest rate, service charges, prepayment charges, etc. shall be notified to the borrowers in writing.
- iii. Change in the interest rates and service charges shall be made applicable prospectively. The loan agreement shall contain a specific clause in this regard.

**D. Post Disbursement Supervision**

- i. 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.
- ii. 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.

iii. 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 and to protect its interest from potential default by the borrowers.

#### **E. Other General Provisions:**

- i. The Company shall refrain from interfering in the affairs of the borrowers except as provided in the terms and conditions governing the loan as contained in the loan documents (unless information, not earlier disclosed by the borrower, has come to its notice).
- ii. The Company shall generally convey its consent within a reasonable period of time to all requests from the borrower to transfer the loan account of a particular borrower to other NBFC, bank or financial institution. Such transfer shall be in accordance with the contractual terms entered into with the borrower and in accordance with the statutes, rules, regulations and guidelines as may be applicable from time to time.
- iii. The Company shall not discriminate on the grounds of gender, caste or religion in its lending policy and activities.
- iv. In the case of recovery of loans, the Company shall resort to the usual measures, which are legally and legitimately available to it and as per laid down guidelines and extent provisions and shall operate within the legal framework.
- v. The Company shall provide the terms and conditions in respect of its lending activities or services whenever the borrower requests for the same.
- vi. On request from borrower for closure of his loan account, the request will be executed within 21 days from receipt thereof request subject to clearance of pending dues and completion of all the formalities as prescribed by the Company. In case the request cannot be executed in the time frame stated above due to any reason, the same may be communicated to the borrower.

#### **REGULATION OF EXCESSIVE INTEREST CHARGED**

The Company shall frame appropriate internal principles and procedures for determining the interest rates and processing and other charges, if any, and also to ensure that they are not excessive. The Company shall, at the time of disbursal, ensure that the interest rate and other charges, if any, on loan and advances are in strict adherence to above referred internal principles and procedures. The rate of interest shall be annualised rates to make the borrower aware of the exact rates that would be charged to the account.

#### **CONFIDENTIALITY**

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

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

- i. If the Company is required to provide the information to any statutory or regulatory body or bodies;
- ii. If arising out of a duty to the public to reveal the information;
- iii. If it is in the interest of the borrowers to provide such information (e.g. fraud prevention);
- iv. If the borrower has authorised the Company to provide such information to its group / associate / entities or companies or any such person/ entity as specifically agreed upon;

## 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 concerned employees shall guide the borrowers who wish to lodge a complaint.

## GRIEVANCE REDRESSAL MECHANISM

The Company has provided for 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 Practicess, 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	Mr. Santosh Kumar
Address	13/418,Manik Chowk, Aligarh, Uttar Pradesh-202001
Mobile No.	+91 7618273165
E-mail id	<a href="mailto:contactus.manoranjan@gmail.com">contactus.manoranjan@gmail.com</a>

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 a period of 15 days, the customer shall complaint to the Director of the Company at his following email id: [sanjeev.manoranjangrah@gmail.com](mailto:sanjeev.manoranjangrah@gmail.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:

Officer-in-Charge  
Reserve Bank of India, Department of Non Banking Supervision  
82/142, M.G Road,  
Kanpur - 208 001, India.

## **FORCE MAJEURE**

The various commitments outlined and made by the Company shall be applicable under the normal operating environment. In the event of any force majeure circumstances, the Company may not be able to fulfil the objectives under the FPC to the entire satisfaction of the borrowers, the stakeholders and the public in general.

**In order to enhance the value and relevance to the borrowers, this code shall be under review from time to time.**