

CREDRIGHT FINANCE

Fair Practice Code

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1. Fair Practice Code

CredRight Finance Private Limited (“CredRight Finance” or the “Company”) has framed and adopted a voluntary Code, which promotes competition and encourages to achieve higher operating standards for the benefit of the customers, through fair practice standards as adopted by the Company which in turn leads to promoting a fair and cordial relationship between borrower /Customer and the Company. This Fair Practice Code (this “Code”) applies to CredRight Finance Private Limited (“CredRight Finance” or the “Company”) and to all the products and services offered by the Company. It shall also apply to all the employees of the Company.

2. Our Key Commitments

Act fairly and reasonably in all our dealings by:

- a. Meeting the commitments and standards in this code and services we offer, the procedures and practices our staff follow.
- b. Making sure our product and services meet relevant laws and regulations.
- c. Our dealings with you will rest on ethical principles of integrity and transparency.

Help to understand how our product and services work by:

- a. Giving information about them in plain Hindi and/or English and/or the local language
- b. Explaining their financial implications.

Deal quickly and sympathetically with things that go wrong by:

- a. Correcting mistakes on an urgent basis.
- b. Resolving customer complaints efficiently.
- c. How to take your complaint forward if you are not satisfied.
- d. Reversing any bank charges that we apply due to our mistake.

3. The Fair Practice Code applies to the following areas:

- a. Applications for loans & their processing
- b. Loan Appraisal and terms/conditions
- c. Disbursement of loans including changes in terms and conditions
- d. Rate of Interest charged
- e. Post Disbursement Supervision
- f. Confidentiality
- g. General Information
- h. Customer Grievance

4. Application for loans and processing

- a. All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- b. At the time of sourcing the Loan, we will ask our customers to fill up a loan application form. This form would include information about the fees/charges, if any, payable for processing, prepayment options and any other matter which affects the interest of the borrower.
- c. The loan application form would also indicate the documents to be submitted with the application form.
- d. As a part of our lending activities we will provide loans to our customers for their business requirements. This would include a wide range of customers and the same would be ranging from small to medium size enterprises. We would also have a process, to identify target customers to whom credit facilities can be provided based on our customer selection and risk assessment for that segment.
- e. We would verify the loan applications within a reasonable period of time. If additional details / documents are required, it would be intimated to the borrowers immediately.
- f. We would convey in writing, after due consideration the main reason(s) in our opinion, which have led to rejection of the loan application(s).
- g. The Company shall issue an acknowledgement receipt for all loan applications and the time frame within which loan applications will be disposed of will be indicated in the acknowledgement.

5. Loan Appraisal and Terms Conditions

- a. We would conduct a proper credit assessment of all the loan application(s) as received from the borrowers. This would be done in line with the credit policy and relevant regulatory guidelines issued by RBI or any other statutory authority.
- b. We would convey to the borrower in the vernacular language as understood by the borrower by means of a sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions thereof and the borrower's acceptance of these terms and conditions will be obtained in writing.
- c. A copy of the loan agreement along with a copy each of all enclosures quoted in the loan agreement, including Key Facts Statement (KFS) will be furnished to the borrower at the time of sanction / disbursement of loans.
- d. The sanction letter or the loan agreement would stipulate that the credit facilities are solely at the discretion of CredRight Finance.

6. Disbursement of loans including changes in terms and conditions: -

- a. We would ensure timely disbursement of loans sanctioned in accordance to the terms and conditions governing such sanction.
- b. We shall give notice to the borrower in the vernacular language or a language as understood by the borrower of any change in the terms and conditions including interest rates, service charges etc. will be notified to the customer from time to time.

7. Rate of Interest charged by CredRight Finance

- a. We would frame appropriate internal principles & procedures to determine the interest rates, processing fees and other charges.
- b. The Board of Directors of the Company shall adopt a Policy/Model for Determination of Interest Rates & Service Charges to be charged for loans and advances and the same shall be placed on website of the Company.
- c. We shall disclose in the application form and also in the sanction letter & KFS the rate of interest and the approach for gradation of risk and rationale for charging different rate of interest for different category of borrowers.
- d. The rates of interest would be annualized rates, to make the borrower aware of the exact rates that would be charged to the account.

8. Post Disbursement Supervision

- a. We would carry out post-disbursement supervision in accordance with normal banking practice, the terms of sanction, and the guidelines issued by the Reserve Bank of India from time to time.

9. Confidentiality

We will treat the personal information of customers/borrower as private and confidential even when they are no longer a customer. We will not reveal the personal information or details of the customers' account to any third party, other than in the following four exceptional cases when:

- a. Required by law.
- b. There is a duty towards the public to reveal the information.
- c. Our interests require us to give the information [for example, to prevent fraud) but we will not use this as a reason for giving information about you or your accounts [including your name and address] to anyone else.
- d. With customer's permission.

10. General Information

- a. In the matter of recovery of loans, we would not resort to undue harassment.
- b. We would not discriminate on grounds of sex, caste and religion in the matter of lending.
- c. In case of receipt of request for transfer of borrowable account, either from the borrower, which proposes to take-over the 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.
- d. The Fair Practice Code as revised from time to time shall be made available on the website of the Company.

11. Grievance Redressal Mechanism

- a. The Board of Directors of the Company has laid down an appropriate Grievance Redressal Mechanism within the Company to resolve disputes raised by customers.
- b. The grievance redressal mechanism followed by the company, together with details of the grievance redressal officer and of the Regional Office of the RBI, for the benefit of the customers, would be displayed at our place where business is transacted:
- c. 8th floor, East Part of Krishe Block, the South Wing Of Krishe Sapphire Building. no.88, hi tech city main road, Madhapur, Hyderabad, Shaikpet, Telangana, India, 500081
Email ID: grievance@credright.com
- d. In case the complaint/ dispute is not redressed within a period of 7 days, the customer may appeal to:
Name: Manish Muralidharan
Designation: Executive Director
Email ID: grievancehead@credright.com
- e. In case the complaint/ dispute is not redressed within a period of one month, the customer may appeal to:
General Manager,
Department of Non-Banking Supervision, Reserve Bank of India,
6-1-56, AG Office Road, Saifabad, Hyderabad – 500004.
Ph. 040-23230533
Email: dnbshyderabad@rbi.org.in
- f. We will acknowledge receipt of such complaint within 2 working days and will ensure that a response is provided within a period of 7 working days.
- g. In order to enhance value and relevance to the borrowers this code would be under review from time to time. We would therefore, greatly value any suggestions for improvement.