

HTC GLOBAL FINANCIAL SERVICES PRIVATE LTD.

Fair Practices Code

PREAMBLE

It is, and shall be, the policy of HTC Global Financial Services Private Limited (HTCGFS) 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 .

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

HTCGFS will ensure that the implementation of the FPC is the responsibility of the entire organization. HTCGFS's fair lending practices shall apply across all aspects of its operations including marketing, loan origination, processing, and servicing and collection activities. It's commitment to FPC will be demonstrated in terms of employee accountability, training, counseling, and monitoring, auditing programs and internal controls, and optimal use of technology.

HTCGFS'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 in a fair and equitable manner, the various financial services and products including lending and that all employees are aware of this commitment.

The Reserve Bank of India (RBI) has issued guidelines on Fair Practices Code for Non Banking Finance Companies (NBFCs) thereby setting standards for fair business and corporate practices while dealing with their customers. The Company shall adopt all the best practices prescribed by RBI from time to time and shall make appropriate modifications if any necessary to this Code to conform to the standards so prescribed.

This Fair Practices Code applies to the following categories of products and services offered by us (Currently offered or which may be introduced at a future date)

1. Application for loans and their processing and appraisal
2. Disbursement & Recovery of loans including changes in terms and conditions
3. Confidentiality
4. Grievance Redressal Mechanism
5. Force Majeure
6. Effective Date

The FPC is applicable to the above services irrespective of whether the same is provided physically, over the phone, on the internet or by any other method whatsoever, existing or futuristic.

KEY COMMITMENTS

The key commitments which HTCGFS promises to follow in its dealings with its customers are:

- a. To act fairly and reasonably in all dealings with its customers by ensuring that:
 - It's products, services, procedures and practices will meet the commitments and standards in this FPC.
 - It's products and services will meet relevant laws and regulations as applicable
 - It's dealings with its customers will rest on ethical principles of honesty, integrity and transparency.
- b. HTCGFS will assist customers in understanding how its financial products and services work by
 - Providing information about them in simple English and/or the local language.
 - Explaining their financial implications and
 - Helping the customer choose the one that meets his / her needs.
- c. HTCGFS will make every attempt to ensure that its customers have a trouble-free experience in dealing with it; but in the case of errors or commissions and omissions, HTCGFS will deal with the same quickly and sympathetically
 - Mistakes will be rectified within the shortest span of time.
 - Complaints will be resolved within the shortest span of time
 - In case a customer is not satisfied with the way a complaint is handled, HTCGFS will guide the customer on how to take the complaint forward
 - HTCGFS will reverse any charges including interest applied to a customer's account due to an error or oversight on its part

I. APPLICATION FOR LOANS AND THEIR PROCESSING AND APPRAISAL:

- HTCGFS will accept application for loans containing details inter alia fees/charges, if any payable for processing of application, pre-payments options and other terms and conditions that may affect the interest of borrower
- The loan application form shall indicate the documents required to be submitted along with the application form to prove the identity and capability of the borrowers.
- All the terms and conditions will be fair and will state the customer's rights and responsibilities clearly in plain language.
- HTCGFS will acknowledge the receipt of application and mention the disposal time for processing the application.
- HTCGFS will verify the loan application and assess the applications made by the borrowers in line with it's polices and procedures
- The Company will communicate in writing, in a language as understood by the borrower, within 15 days about the loan sanctioned or otherwise.
- The Company will also communicate in writing, in a language as understood by the borrower, about the amount of loan sanctioned along with terms and conditions including rate of interest/disbursement schedule etc. In addition to the above, the Company shall furnish a copy of the loan agreement along with a copy of each of all enclosures quoted in the loan agreement to all the borrowers at the time of sanction/disbursement of loans.

- HTCGFS shall mention the penal interest charged for late repayment in bold in the loan agreement.
- HTCGFS shall furnish a copy of the loan agreement or copy of all enclosures quoted in the loan agreement, to all the borrowers in a language as understood by the borrower, at the time of sanction/disbursement of loans.

II. DISBURSEMENT & RECOVERY OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- HTCGFS will ensure timely disbursement of loans sanctioned in conformity with the terms and conditions governing such sanction.
- HTCGFS will give notice to the borrower of change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. HTCGFS shall ensure that changes in interest rates are effected only prospectively and a condition in this regard shall be incorporated in the loan agreement.
- In case of recovery of Loans, HTCGFS will resort only to remedies, which are legally and legitimately available to it and will strictly observe due process of law .
- HTCGFS will carry out any decision to recall / accelerate payment or performance only in consonance with the terms and conditions governing loans.
- HTCGFS shall release all securities on repayment of all dues or on realisation of the outstanding amount of loan subject to any legitimate right or lien for any other claim the Company may have against borrower with prior notice to the borrowers.
- HTCGFS will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions governing loans.
- In case of receipt of request for transfer of borrower account to other NBFC, bank or financial institution, the consent or objection will 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.

III. CONFIDENTIALITY

- a. Unless authorized by the customer, HTCGFS will treat all personal information as private and confidential
- b. HTCGFS will not reveal transaction details to any other entity including within their group other than the following exceptional cases
 - If HTCGFS have 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 us to provide this information (e.g. fraud prevention). HTCGFS will not use this reason for giving information about customers to anyone else (including group companies) for marketing purposes.
 - If HTCGFS have taken the customers permission (for instance at the time of loan sanctioning) to provide such information to its group/ associate/ entities or companies for providing other products or services
 - Where the customer asks us to reveal such information to its group/ associate/ entities or companies for providing other services or products

IV. GENERAL

- a) In the matter of recovery of loans, HTCGFS shall not resort to undue harassment and shall ensure that the staff is adequately trained to deal with the customers in an appropriate manner.
- b) Fair Practices Code (in a language as understood by the borrower) shall be put in place by HTCGFS and also on their website for the information of the public.
- c) HTCGFS shall ensure that the interest rates charged are in line with rates charged by the banks in India. The Board shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges. In this regard, the guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans shall be kept in view.
- d) HTCGFS shall adopt an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium etc and determine the rate of interest to be charged for loans and shall disclose explicitly to the borrower in the sanction letter. The rates of interest shall be made available on the website of the company including any changes being made.
- e) HTCGFS shall ensure that the rate of interest shall be annualized rates so that the borrower is aware of the exact rates that would be charged to the account.

V. GRIEVANCE REDRESSAL MECHANISM

- i. HTCGFS will guide customers who wish to lodge a complaint and also provide guidance on what to do in case the customer is unhappy with the outcome.
- ii. After examining the matter, HTCGFS will send a response as soon as possible; HTCGFS will also guide a customer on how to take the complaint further if the customer is not satisfied.
- iii. Any Complaint lodged by the Customer, will be heard by the Director of the Company and disposed of within 21 days from the date of receipt of the Complaint. In case the Customer is not satisfied with the outcome, he may appeal again which shall be heard and disposed of by the Board of Directors of HTCGFS within 14 working days.
- iv. The Board of Directors shall 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.
- v. A Consolidated report of reviews may be submitted to the Board at regular intervals, as may be prescribed by the Board.

VI. FORCE MAJEURE

The various commitments outlined and made by HTCGFS are applicable under the normal operating environment. In the event of Force Majeure, HTCGFS will not be able to fulfil the commitments under the FPC to the entire satisfaction of the customer/s, the other stake holders and the public in general.

VII. EFFECTIVE DATE

The above revised Fair Practices Code shall come into effect from April 4, 2012

CERTIFIED TRUE COPY

APPROVED BY THE BOARD OF DIRECTORS

AUTHORISED SIGNATORY

Fair Practices Code