

FAIR PRACTICE CODE



Loan in 3 days

IFL HOUSING FINANCE LIMITED

{REGISTERED WITH NATIONAL HOUSING BANK (NHB)}



DESCRIPTION	SIGNATURE
Prepared by:	<i>W. deurelek</i>
Compliance Department	
Reviewed by:	<i>Rajmish</i>
Chief Business Officer	
Approved by:	<i>G. B.</i>
Mr. Gopal Bansal - MD and CEO	
Deviation Approval Authority:	<i>G. B.</i>
Mr. Gopal Bansal - MD and CEO	

VERSION	DATE	DESCRIPTION	NEXT REVIEW DATE
1	27/12/2017	First Time Adoption	As and When Required
2	23/01/2019	Review	As and When Required
3	28/02/2020	Review	As and When Required
4	10/12/2020	Amended	As and When Required
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FAIR PRACTICE CODE

Objectives & Application:

1. Objectives of the Code:

IFL Housing Finance Limited ensures fair and transparent dealings with its customers who approach it for obtaining a loan and for transactions with customers after the loan has been granted. This code will enable employees to provide better customer service and maintain transparency in business dealings with its customers. Accordingly, a Fair Practices Code has been set with an objective to:

- a) to promote good and fair practices by setting minimum standards in dealing with customers;
- b) to increase transparency so that the customer can have a better understanding of what he/she can reasonably expect of the services;
- c) to encourage market forces, through competition, to achieve higher operating standards;
- d) to promote a fair and cordial relationship between the customer and the Company;
- e) to foster confidence in the housing finance system.

2. Application of the Code:

This code shall apply to all employees of the company and other persons authorized to represent it in the course of its business with respect to all products and services.

Commitments:

Company will adhere to this code to act fairly and reasonably in all dealings with customers, by ensuring that:

- a) The company shall meet the commitments and standards in this Code for the products and services it offers and, in the procedures, and practices their staff follows.
- b) Products and services of the company will meet relevant laws and regulations in both letter and in spirit.
- c) The company will act quickly in correcting the mistakes and attend to complaints lodged by its customers in light of objective of this code.
- d) Company will not discriminate in any manner between genders, castes, religions or disability while dealing with the customers visiting/approaching for services from us. However, the restrictions, if any, as mentioned in the loan products, shall continue to apply.

Disclosure and Transparency:

1. Our company believes in complete disclosures and transparency in dealing with our customers. We shall provide all relevant information which may have a bearing on the transactions between the Company and the customers including but not limited to the interest rates, common fees and charges through all possible means including:



- a) Putting up notices in branches;
- b) Providing tariff schedule as and when requested.
- c) Through the company's website
- d) Through designated staff

2. Confidentiality

The Company will collect personal information that it believes to be relevant and required to understand the profiles of the customer and conduct its business. The Company will keep all personal information of customers as private and confidential and will not disclose any information to a third person unless required by any law or Government authorities including Regulators or Credit agencies or where the sharing of information is permitted by the customer. If company shall avail services of any third party for providing support services, Company shall require that such third parties handle customers' personal information with the same degree of confidentiality.

ADVERTISING, MARKETING AND SALES

- a. Endeavour to ensure that all advertising and promotional material released by the company is clear, and not ambiguous / misleading.
- b. Company may, from time to time, communicate to customers various features of its products availed by them. Information about any other products or promotional offers in respect of products / services shall be conveyed to customers only if he / she has given his / her consent to receive such information / service either by mail or by registering for the same on the website or on customer service number.
- c. In the event of receipt of any complaint from the customer that representative/ DSA of the company has engaged in any improper conduct or acted in violation of this Code, appropriate steps shall be initiated to investigate and to handle the complaint and to make good the loss.
- d. Whenever the services of any third party is used for providing support services, we shall ensure that such third-party handles customer's personal information (if any available to such third parties) with the same degree of confidentiality and security as we would.
- e. Company would prescribe a code of conduct to the Direct Selling Agencies (DSAs) whose services company may avail to market products / services which amongst other matters require them to identify themselves when they approach the customer for selling products personally or through phone.

LOANS

Applications for loans and their processing

- a) The loan agreement discloses the rate of interest charged from customer as also the other charges pertaining to the loan like processing fee, cheque bounce charges etc.
- b) Acknowledgement will be given for receipt of all loan applications.
- c) The Company would verify the loan applications within a reasonable period of time



- d) Normally all particulars required for processing the Loan Application will be collected by the Company at the time of application. In case it needs any additional information, the customer will be informed to provide the same.
- e) The Company will convey in writing to the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with all terms and conditions including annualized rate of interest, method of application, EMI Structure, prepayment charges, if any and keep the written acceptance of these terms and conditions by the borrower on its record.
- f) Borrower shall be entitled to a copy of the Loan Agreement along with a copy each of all enclosures quoted in the Loan Agreement at the time of sanction / disbursement of loans.

Rejection of Loan Application:

In case of rejection of loan sanction/disbursement, the decision will be communicated to the borrower in writing. The reason for rejection in the opinion of the Company after due consideration, which has led to rejection of the loan applications would also be communicated in writing. In case the proposal does not meet the internal product parameters of the Company, the borrower would be intimated accordingly.

Decision to Recall or Acceleration of repayment of loan amount:

Before taking a decision to recall/accelerate payment or performance under the agreement or seeking additional securities, the Company shall give notice to the borrower(s) in consonance with the Loan Agreement.

Requests for Foreclosure of Loan Account:

Company at its discretion shall process requests for transfer of a loan account, either from the borrower or from a bank/financial institution, in the normal course.

Changes in the Terms and Conditions

The Company shall give notice to the borrower of any change in the Terms and Conditions including disbursement schedule, interest rates, service charges, prepayment charges, other applicable fee/ charges etc. The Company will ensure that changes in interest rates and charges are effected only prospectively. If such change is to the disadvantage of the customer, he/she may within 60 days and without notice close his / her account or switch it.

Closure of Loan Account and release of Securities/Documents:

The Company shall 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 that 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.



Guarantors

1. When a person is considered to be a guarantor to a loan, he/she should be informed about
 - a. his/her liability as guarantor;
 - b. the amount of liability he/she will be committing him/herself to the company;
 - c. circumstances in which the company will call on him/her to pay up his/her liability;
 - d. whether the company has recourse to his/her other monies in the company if he/she fail to pay up as a guarantor;
 - e. whether his/her liabilities as a guarantor are limited to a specific quantum or are they unlimited; and
2. The time and circumstances in which his/her liabilities as a guarantor will be discharged as also the manner in which the company will notify him/her about this. The Company shall keep him/her informed of any material adverse change/s in the financial position of the borrower whom he/she stands as a guarantor.

Privacy and Confidentiality

All personal information of customers shall be treated as private and confidential [even when the customers are no longer customers], and shall be guided by the following principles and policies. Company shall not reveal information or data relating to customer accounts, whether provided by the customers or otherwise, to anyone, including other companies/entities in their group, other than in the following exceptional cases:

- a. If the information is to be given by law or by the direction of the regulator/s.
- b. If there is a duty towards the public to reveal the information.
- c. If the company's interests require them to give the information (for example, to prevent fraud) but the same will not be used as a reason for giving information about customer or customer accounts (including customer name and address) to anyone else.
- d. If the customer asks the company to reveal the information, or with the customer's permission.
- e. If the company is asked to give a reference about customers, with his / her written permission.
- f. The customer shall be informed the extent of his / her rights under the existing legal framework for accessing the personal records that holds about him /her.
- g. The company will not use customer's personal information for marketing purposes by anyone unless the customer specifically authorizes to do so.

Credit reference agencies

- a. When a customer opens an account, the company shall inform him / her that the company may pass his / her account details to credit reference agencies and the checks that may make with them.
- b. The company may give information to credit reference agencies about the personal debts the customer owes to the company if:
 - The customer has fallen behind with his / her payments;



- The amount owed is not in dispute; and
 - The customer has not made proposals that the company is satisfied with, for repaying his / her debt, following company's formal demand
- c. In these cases, company shall intimate the customer in writing that it plan to give information about the debts the customer owes to the company to credit reference agencies. At the same time, the company shall explain to the customer the role of credit reference agencies and the effect the information they provide can have on customer's ability to get credit.
- d. The company may give credit reference agencies other information about the customer's account if the customer has given his / her permission to do so. A copy of the information given to the credit reference agencies shall be provided by the company to the customer, if so demanded.

Collection of Dues

1. Whenever loans are given, the Company shall explain to the customer the repayment process by way of amount, tenure and periodicity of repayment. However if the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land and the customer's contract with the Company will be followed for recovery of dues. The process will involve reminding the customer by sending him / her a notice or by making personal visits and / or repossession of security if any.
2. Our collection policy is based on courtesy, fair treatment and persuasion. The Company believes in fostering customer confidence and long-term relationship. The staff or any person authorized to represent the Company in collection of dues or / and security repossession shall identify himself / herself and display the authority letter issued by the Company. He/She shall upon request, display his / her identity card issued by the Company or under authority of the company. Company ' shall provide customers with all the information regarding dues and shall endeavor to give sufficient notice for payment of dues.
3. The company staff or any person authorised to represent the Company shall strictly follow the Codes set out below:
 - a. Customer would be contacted ordinarily at the place of his / her choice and in the absence of any specified place at the place of his / her residence and if unavailable at his / her residence, at the place of business / occupation.
 - b. Customer's privacy shall be respected.
 - c. Interaction with the customer shall be in a civil manner. Utmost care shall be taken in the use of language while interacting, so that at any point of time the customer should not feel hurt/feel any un-courteous treatment. While interacting with women borrowers, due respect as per Indian culture and tradition shall be maintained.
 - d. Customer's request to avoid calls at a particular time or at a particular place shall be honored as far as possible.
 - e. All assistance would be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner.

Complaints and Grievances

1. The Company would strive for customer satisfaction within the framework of law, adopted policies and procedures.



2. In case of any grievance, the customer may approach the In-Charge of the business location where he / she had his / her account and register the complaint in the 'Complaint Register' available with the In-Charge. On registering the complaint, the customer should obtain complaint number and date for future reference.
3. All offices/branches shall display the office address, e mail id, phone no etc where a complaint can be made and the authority to whom the complaint can be made.
4. Company shall endeavour to resolve the complaint within 7 working days of receipt of complaint.
5. In case the response is unsatisfactory or no response is received, the complaint should be escalated to the following –

The Grievance Head

D-16, 1st Floor, Above ICICI Bank,
Prashant Vihar, Sector-14, Rohini,
Delhi – 110085

6. If a complaint has been received in writing from a customer, the Company shall endeavour to send him/her an acknowledgment/response within a week.
7. If the complaint is relayed over phone, the customer shall be provided with a complaint reference number and be kept informed of the progress within a reasonable period of time.
8. Any dispute arising out of the decisions of the Company's functionaries shall be disposed by Head Customer Service by letter.
9. The Customer, if still unsatisfied with the response, may also register his/her complaint to the National Housing Bank through GRIDS and/or to the-
General Manager,
Department of Regulation and Supervision,
National Housing Bank,
4th Floor, Core-5A,
India Habitat Centre,
Lodhi Road, New Delhi-110003

GENERAL

1. The company may verify the details mentioned by the customer in the loan application by contacting him/her at his/her residence and / or on business telephone numbers and or physically visiting his/her residence and/or business addresses through agencies appointed for this purpose, if deemed necessary.
2. The customer should be informed to co-operate if the company needs to investigate a transaction on the customer's account and with the police/ other investigative agencies. If the customer acts fraudulently, he / she will be responsible for all losses on his/her account and that if the customer acts without reasonable care and this causes losses, the customer may be responsible for the same.
3. The Company will be reviewed annually for Compliances to the Fair Practices Code and the functioning of the grievances redressal mechanism at the various level of management. A consolidated report of such reviews will also be submitted to the Board at regular intervals.