

P.S.N FINANCE PRIVATE LIMITED

CIN : **U67190KA2010PTC053178** NBFC Rgn. No. **N-02.00263/30-04-2015**

Rgd. Off. Address: No.380. Ittina Centre, 1st Floor, 3rd Block, 16th Main Road,
Koramangala, Bengaluru - 560034

FAIR PRACTICES CODE

1. INTRODUCTION

The 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 practice.

It is, and shall be, our policy to make loan products available to all qualified applicants without discrimination on the basis of race, caste, color, religion, sex, marital status or handicap. Our policy is to treat all the customers consistently and fairly. Our employees will offer assistance, encouragement and service in a fair, equitable and consistent manner. We will also communicate our Fair Practices Code to our customers by placing it on the company's website.

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.

The Company's Fair lending practices shall apply across all aspects of our operations including marketing, loan origination, processing, servicing and collection activities. Our commitment to Fair Practice Code would be demonstrated in terms of employee accountability, monitoring and auditing programs, training and technology.

The Company's Board of Directors and the management Team is responsible for establishing practices designed to ensure that our operations reflect our strong commitment to fair lending and that all employees are aware of that commitment. P.S.N Finance (P) Ltd is committed to providing service of the highest quality to its clients.

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

For PSN FINANCE PVT. LTD.


Executive Chairman

The Fair Practices Code is applicable to the above irrespective of whether the same is provided at the Branch, over the phone, on the Internet or by any other method we may be currently using or may introduce at a future date.

2. KEY COMMITMENTS

(2.1) Applications for loans and their processing

- (a)** Loan application forms will include necessary information, which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application form will indicate the documents required to be submitted with the application form.
- (b)** The company will devise a system of giving acknowledgement for receipt of all loan applications. Preferably, the time frame within which loan applications will be disposed of will also be indicated in the acknowledgement.
- (c)** Loan Application form will clearly state the information that the company requires to collect from the customer to fulfil the KYC norms and to comply with legal and regulatory requirements. We may request for additional information about the customer and his / her family to build a database; but this information is furnished by the customer only if she / he wishes to do so.

(2.2) Loan appraisal and terms/conditions

- (a)** The company will convey in writing to the borrower by means of sanction letter or otherwise in vernacular language as understood by the borrower, the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record.
- (b)** The penal Interest chargeable for late payment shall be mentioned in bold letters in the loan agreement.
- (c)** The Company shall furnish a copy of the loan agreement preferably in vernacular language as understood by the borrower along with a copy of each document quoted as enclosure to the loan agreement.

For PSN FINANCE PVT. LTD.

Executive Chairman

(2.3) Disbursement of loans including changes in terms and conditions

- (a) The company will give notice in vernacular language as understood by the borrower to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The Company will ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard will be incorporated in the loan agreement.
- (b) Decision to recall / accelerate payment or performance under the agreement will be in consonance with the loan agreement.
- (c) The company will 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 company may have against borrower. If such right of set off is to be exercised, the borrower will be given notice about the same with full particulars about the remaining claims and the conditions under which company is entitled to retain the securities till the relevant claim is settled/paid.

(2.4) Confidentiality

- (a) Unless authorized by the customer we will treat all personal information as private and confidential
- (b) Unless authorized by the customer, we will not reveal transaction details to any other entity including other than the following exceptional cases:
- If we have to provide the information by statutory or regulatory laws
 - If there is a duty to the public to reveal this information
 - If our interest requires us to provide this information (eg fraud prevention) to
 - Banks / Financial Institutions / Our Group and Associate Companies.
 - We will not use this reason for giving information about customers to anyone else for marketing purposes.

For PSN FINANCE PVT. LTD.


Executive Chairman

(2.5) General

- (a)** The company will refrain from interference in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the lender).
- (b)** In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e. objection of the company, if any, 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.
- (c)** In the matter of recovery of loans, the company **will not** resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.
- (d)** The Company shall ensure that the staffs are adequately trained to deal with the customers in an appropriate manner.

3. COMPLAINTS

In case of any complaint/grievance, the applicant/borrowers will have to inform in writing to the concerned branch of the Company, from where he/she availed the loan. The Branch Officials of the Company shall immediately take up the matter for redressal.

4. REGULATION OF INTEREST CHARGED

- a.** The Board 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 advances. 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 application form and communicated explicitly in the sanction letter.
- b.** The company shall make available on its website the rates of interest and the approach for gradation of risks applicable for its loan customers. The information published in the website or otherwise published shall be updated whenever there is a change in the rates of interest.
- c.** The rate of interest shall be annualised rates so that the borrower is aware of the exact rates that would be charged to the account.
- d.** There shall be no penalty for prepayment/foreclosure for floating rate loans to individuals

For PSN FINANCE PVT. LTD.

Executive Chairman

5. GRIEVANCE REDRESSAL MECHANISM

All disputes arising out of the decisions of branches in relation to the products and services shall be heard and disposed off at least at the next higher level. Therefore, the following 'Grievances Redressal Mechanism' is put in place.

Decision Level	Redressal Level
Branch Head	Divisional Head
Divisional Head	State Head
State Head	Regional Head
Chief Operating Officer	Management Committee

6. FEEDBACK AND SUGGESTIONS

The Customers are requested to provide feedback on our services to help us to improve our services.

7. MONITORING

The grievances are monitored by a Grievance Redressal Officer at very senior level of the Company.

Grievance Redressal Officer
P.S.N Finance (P) Ltd
No. 380, Ittina Centre,
1st Floor, 3rd Block, 16th Main Road
Koramangala , Bangalore - 560034
Email:psnfinance.psn@gmail.com
Tel: 080 - 41321690

The Board shall have periodical review of the compliance with the Fair Practices Code and the functioning of the Grievance redressal mechanism.

For PSN FINANCE PVT. LTD.


Executive Chairman

8. MORE INFORMATION ABOUT THE CODE

The code will be available on our website and copies will be made available on request. The company shall try to have the Code in vernacular language as understood by the Borrower.

In case the borrower is not satisfied with the decision of the Grievance Redressal Officer of the Company, he may approach the Officer in Charge of the Regional Office of Department of Non-Banking Supervision of RBI at the address given below:

Department of Supervision (NBFC)

Regional Office,
Reserve Bank of India
10/3/8, Nrupathunga Road
Bengaluru - 560001
Tel: +91 080 22180387
Email: dnbs@rbi.org.in

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Executive Chairman