

## **KOMAF FINANCIAL SERVICES PRIVATE LIMITED**

### **FAIR PRACTICES CODE**

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 credit products available to all qualified applicants without discrimination on the basis of race, caste, colour, religion, sex, marital status, age or handicap.

Our policy is to treat all the clients consistently and fairly. Our employees will offer assistance, encouragement and service in a fair, equitable and consistent manner.

We shall ensure that charges/fees which affect the interest of the prospective borrowers 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.

We will ensure that the implementation of the Fair Practices Code is the responsibility of the entire organisation. 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.

**Komaf Financial Pvt. Ltd.**, is committed to providing service of the highest quality to its clients. 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. Loans

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.

(Commitments made in the Code are applicable under normal operating environment).

### KEY COMMITMENTS

The key commitments which we promise to follow in our dealing with our customers:

a. Act fairly and reasonably in all our dealings with our customers by ensuring:

- Our products, services, procedures and practices will meet the commitments and standards in this Code.
- Our products and services will meet relevant laws and regulations.
- Our dealings with our customers will rest on ethical principles of integrity and transparency.

b. We will assist customers in understanding how our financial products and services work  
by

- Providing information about them in simple Hindi and/or English and/or the local language.
- Explaining their financial implications.
- Helping the customer choose the one that meets his / her needs.

c. We will make every attempt to ensure that customers have a trouble free experience in  
dealing with us; but if something does go wrong, we will deal with the same quickly and sympathetically.

- Mistakes will be corrected quickly.
- Complaints will be handled quickly.
- In case a customer is not satisfied with the way a complaint is handled, we will guide the customer on how to take the complaint forward.
- We will reverse any charges applied to a customer's account due to an error on our part.

## **INFORMATION**

We will guide our customers in choosing products and services which meets his / her requirements:

a. Before the customer relationship is established, we will:

- Give the customer information explaining the key features of the services and products the customer has shown interest in.
- Give information on accounts, products and services which may suit the customer's needs.
- Clearly state the information that we require to collect from the customer to fulfill our KYC norms and to comply with legal and regulatory requirements.
- 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.

b. We will provide information on the various channels that can be used to access its products and services. The customer will also be informed on where further information on this is available.

c. Once a customer has chosen a product, we will tell the customer how it works.

d. We will guide our customer on rights and responsibilities specific to the mode of operation under which the product is taken.

## **INTEREST RATES**

a. At the time of availing of a loan, we will provide the customer with information on when the interest will be debited to the account

b. The loan application form / Sanction Letter shall contain sufficient information about interest, charges, penal rate etc.

c. We will also provide customers with information such as Customer Contact Centre numbers.

## **CHARGES**

a. We will make available any charges applicable to products and services applicable at

the time a customer signs up for the same. The same shall be prominently displayed to make the customer aware.

- b. If we increase any charges or introduce a new charge, we will notify the same to the customers.
- c. We will communicate (to customers) charges for any service or product before providing the same.
- d. We will provide charges for any service or product whenever the customer requests for the same.

## **TERMS AND CONDITIONS**

- a. When a customer accepts a product or service for the first time, we will provide the customer with the Rules and Regulations that are relevant to the product / service.
- b. All Terms and Conditions will be fair and will set the customer's rights and responsibilities clearly and in plain language. We will use legal or technical language only where necessary.

## **ADVERTISING AND MARKETING**

- a. We will ensure that all advertising and promotional material is clear, fair reasonable and not misleading.
- b. We will provide the customers with a full range of financial products the customer is eligible for. Some of these products / services will be our own; some others may be the products of the group or companies with which we have tie-up arrangements.
- c. We will inform the customer of these group companies / companies with which we have entered into a business arrangement and if the customer so desires.
- d. We will direct the staff / agents of the company for marketing their products / services.

## **CONFIDENTIALITY**

- a. Unless authorized by the customer we will treat all personal information as private and

confidential.

b. We will not reveal transaction details to any other entity including within the group 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), We will not use this reason for giving information about customers to anyone else (including group companies) for marketing purposes.
- If we have taken the customers permission (for instance at the time of loan sanctioning) to provide such information to our group / associate / entities or companies for providing other products or services.
- Where the customer asks us to reveal such information to our group / associate / entities or companies for providing other services or products.

## **LOANS AND ADVANCES**

- a. Before lending money, or any other borrowing, we will assess the ability of the customer (borrower) to repay.
- b. Before granting the loan, we will inform the customer if the same is repayable on demand or otherwise.
- c. We shall give acknowledgement for receipt of all loan applications.

## **INTEREST RATES MODEL**

The company has an interest rate model which takes into account relevant factors such as the following to decide upon the lending rate

- (a) Borrowing Cost
- (b) Operating Cost
- (c) Risk Premium for the product and the borrower
- (d) Return on Assets required
- (e) Any other relevant factor such as prevalent market lending rates in the industry, etc.,

The company has an Asset and Liability Committee (ALCO) which looks into all the above factors. The ALCO is also empowered to vary the rate of interest in between the month if any of the above factors undergo a significant change. The businesses will charge different rates of interests for different customers under similar products or different rates for same customers under different products, depending on gradation or risk of the customer and of the products. Accordingly, the rate of interest charged is in the range of 8% to 15%. The rates of interest and the approach for gradation of risks shall be made available on website of the Company. The information published on the website shall be updated whenever there is a change in the rates of interest.

All rates of interest will be on annualized basis and will be communicated to the customers. The penal rate of interest will be charged as per the agreement with the customer and will also vary from customer to customer and/or products to products.

## **FURTHER ASSISTANCE**

- a. Complaints / Grievances and Feedback / Suggestions – Internal Procedures
  - We 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. Our staff will assist with any questions.
  - After examining the matter, we will send a response as soon as possible; we will also guide a customer on how to take the complaint further if the customer is not satisfied.
- b. Feedback and Suggestions
  - We request our customers to provide feedback on our service to help improve services.

## **MONITORING**

We have a Nodal Officer to ensure compliance of the Code. Our internal auditing procedures make sure we meet the Code. The details of the Nodal Officer is as below:

Nodal Officer: Mr. Rajesh Doshi  
Email: [info@komaf.in](mailto:info@komaf.in)

Phone: (022)- 6680 8317  
Address : 3rd Floor, Dani Corporate Park,  
158, C.S.T. Road, Kalina,  
Santacruz (East), Mumbai – 400 098

## **FURTHER ASSISTANCE**

### **Complaints / Grievances and Feedback / Suggestions – Internal Procedures**

- a. We 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. Our staff will assist with any questions.
- b. After examining the matter, we will send a response as soon as possible; we will also guide a customer on how to take the complaint further if the customer is not satisfied.
- c. We will display at our branches the name and contact details of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against our Company.

## **Feedback and Suggestions**

We request our customers to provide feedback on our service to help improve services.

## **KOMAF FINANCIAL PRIVATE LIMITED**

### **QUERIES/ GRIEVANCE REDRESSAL – MECHANISM**

1. In case of any queries, please contact us in an of the following ways:
  - Call us on 022 6680 8317
  - Email us at pooja.krishnan@komaf.in
2. For any grievance, you may contact the Grievance Redressal Officer. Alternatively, you may send a written communication to our office at the following address:

#### **Grievance Redressal Officer**

**Mrs. Pooja Krishnan**

Komaf Financial Private Limited  
7th Floor, Dani Corporate Park,  
158, C.S.T. Road, Kalina,  
Santacruz (East), Mumbai – 400 098.  
Phone: (022) 6680 8317  
Email: pooja.krishnan@komaf.in

In case you are not satisfied with the decision of the above or have not received any response with 14 working days, you may escalate your grievances to the Nodal Officer.

**Nodal Officer: Mr. Rajesh Doshi**

Email: info@komaf.in  
Phone: (022)- 6680 8317  
Address: 3rd Floor, Dani Corporate Park,  
158, C.S.T. Road, Kalina,  
Santacruz (East), Mumbai – 400 098.

3. In case you are not satisfied with the decision / resolution of the Company or have not received any response within the period of one month, you may approach the Office



in Charge of the Regional Office of Department of Non – Banking Supervision of RBI at the address given below:

**Reserve Bank of India,**  
Department of Non-Banking Supervision  
Mumbai Regional Office, 3rd Floor,  
Opp. Mumbai Central Railway Station, Mumbai: - 400008.  
Tel : 022- 23028430  
Email : dnbsmrocompliance@rbi.org.in

#### **MORE INFORMATION ABOUT THE CODE**

The code will be made available on request.

#### **REVIEW OF THE CODE**

THE FAIR PRACTICE CODE WILL BE REVIEWED AT LEAST ONCE IN A YEAR BY THE BOARD.