

JJ FINCAP PRIVATE LIMITED
(Formerly Known as Radhasoami Resources Private Limited)

FAIR PRACTICE CODE

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This Fair Practices Code (FPC) supersedes the existing FPC adopted by JJ Fincap Private Limited (“Company”).

The Company’s business would be conducted in accordance with prevailing statutory and regulatory requirements, with due focus on efficiency, customer-orientation and corporate governance principles – all of which form part of the Company’s approved Investment and Credit Policy.

Fair Practices Code, would be put up on the Company’s website for information of various stakeholders.

In addition, the Company would adhere to the Fair Practices Code in its functioning, the key elements of which are as follows:

- 1. Application for loans and their processing**
- 2. Loan appraisal and terms/conditions**
- 3. Disbursement of loans including changes in terms and conditions**
- 4. General**
- 5. Grievance Redressal Mechanism**
- 6. Internal Principles and Procedures**
- 7. Internal control system**
- 8. Lending against collateral of gold jewellery and/or Vehicles**

1. Application for loans and their processing:

- a. The borrowers, who have evinced interest in availing the loan from the Company should fill up the loan application form, complete in all aspects and should submit the same to the Company.
- b. Loan application forms would 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 indicates the documents required to be submitted with the application form.
- c. The Company would devise a system of giving acknowledgement for receipt of all loan applications. The time frame within which the loan application would be disposed off would be made known to the borrower.
- d. **All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.**

2. Loan appraisal and terms/conditions:

- a. The Sanction Letter would convey the following:
 - i. amount sanctioned,
 - ii. terms and conditions of the Loan
 - iii. documents to be submitted for disbursement of the loan,
 - iv. rate of interest (Annualised) and method of application thereof,
 - v. details of security to be offered (if any),
 - vi. repayment schedule,
 - vii. penal interest or delayed payment charges (in case of delay in payments of instalments beyond due dates) (the same shall be mentioned in Bold)
 - viii. list of Documents to be executed by the guarantor and co-borrower (if any)
- b. Copy of the sanction letter will have to be accepted. The customer will have to return to the Company a copy of the sanction letter duly acknowledged by him as a token of acceptance. Thereafter Company will issue disburse the Loan.

- c. The Company shall furnish a copy of the loan agreement as understood by the borrower along with a copy each of all enclosures quoted in the loan agreement to the borrowers at the time of sanction / disbursement of loans.

3. Disbursement of loans including changes in terms and conditions:

- a. The Company would give notice to the borrower of any change in the terms and conditions including disbursement schedule, tenure, interest rates, service charges, prepayment charges etc. The Company would also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard shall be incorporated in the loan agreement.
- b. Decision to recall / accelerate payment or performance under the agreement would be in consonance with the loan agreement.
- c. The Company would 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. 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.

4. General:

- a. The Company would 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 Company).
- 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, would 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. Company will take recourse / actions only through legally permissible remedies as per the terms & conditions of loan agreement entered into with the borrower.
In the matter of recovery of loans, the Company would not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans etc. The Company shall ensure that the staffs' are adequately trained to deal with the customers in an appropriate manner.
- d. Any agency to which various activities are outsourced / entrusted will have to be short listed and empanelled as per the company policies issued from time to time.
- e. The Company charges interest only as per the terms of the contract. The terms of the contract are clearly mentioned in the sanction letter as well as the loan agreement and any delay in payment of instalments as per the repayment schedule will attract penal interest at the rate of as mentioned in the sanction letter and/or agreement. This rate of interest is fixed to act as a deterrent to the customer in delaying the payment of the instalment.
- f. There shall be a periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism by the Management. A consolidated report of such reviews shall be submitted to the Board at regular intervals.

5. Grievance Redressal Mechanism:

- a. The Company will display the following information on notice board at all branches and offices of the Company where business is transacted;
 - i. Name of Grievance Redressal Officer &
 - ii. Contact details of the office where customers can direct their grievances.

- b. If the complaint/dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-charge of the Regional Office of DOS of the RBI at the following address;
 - i. Department of Supervision
The Reserve Bank of India,
Fort Glacis, Rajaji Salai,
Chennai - 600 001
- c. There shall be a periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism by the Management. A consolidated report of such reviews shall be submitted to the Board at regular intervals.

6. Internal Principles and Procedures:

The Company shall lay out appropriate internal principles and procedures in determining interest rates and processing and other charges.

- a. The rate of interest shall be disclosed to the borrower or customer in the sanction letter or in the accompanying schedule of repayment.
- b. The broad range for rates of interest and the approach for gradation of risks shall also be made available on the web-site of the Company in case of simple products. The information published in the website or otherwise published would be updated whenever there is a change in the rates of interest.
- c. The rate of interest would be annualized rates so that the borrower is aware of the exact rates that would be charged to the account.

7. Internal control system:

As the primary responsibility for compliance with the Directions rest with the Company, necessary organizational arrangements will be made to assign responsibility for compliance to designated individuals within the Company and establish systems of internal control including audit and periodic inspection to ensure the same.

8. Lending against collateral of gold jewellery and/or Vehicles:

Currently Company is not engaged in business of lending against gold jewellery and/or Vehicles. The Fair Practice Code related to this business shall be approved and adopted as and when decision is taken the said type of business.