

FAIR PRACTICE CODE

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 vide its Circular DNBS.CC.PD.No.266 /03.10.01/2011-12.

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. It is, and shall be, the policy of Samaaru Finance Private Limited (Hereinafter Referred as SAMAARU FINANCE) to make available to all eligible qualified applicants, without discrimination on the basis of race, caste, color, religion, sex, marital status, age, or handicap all financial products, either directly or through subsidiaries and/or associates. The Company's policy is to treat all the clients consistently and fairly. The employees of the Company will offer assistance, encouragement, and service in a fair, equitable, and consistent manner.

The Company will also communicate its Fair Practices Code (FPC) to its customers by uploading the FPC on its website. The Company will ensure that the implementation of the FPC is the responsibility of the entire organization. The Company's fair lending practices shall apply across all aspects of its operations including marketing, loan origination, processing, and servicing and collection activities. Its 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.

The Company'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.

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

- Loans, guarantees and other products in the nature of financial assets.
- Products offered through a network consisting of the branches of the Company, its subsidiaries and associates.
- Products/services provided physically, over the phone, on the internet or by any other method whatsoever, existing or futuristic.

The **key commitments** which the Company promises to follow in its dealings with its customers are:

To act fairly and reasonably in all dealings with its customers by ensuring that:

- Its products, services, procedures and practices meet the commitments and standards in this FPC.
- Its products and services meet relevant laws and regulations in letter and spirit as SAMAARU FINANCE
- Its dealings with its customers will rest on ethical principles of honesty, integrity and transparency.

The Company will assist customers in understanding how its financial products and services work by

- Providing information about them in a simple and understandable manner & language.
- Explaining their financial implications and
- Helping the customer choose the one that meets his/her needs.

The Company 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, the Company 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, the Company will guide the customer on how to take the complaint forward.
- The Company will reverse any charges including interest applied to a customer's account due to an error or oversight on its part.

The Company will guide its customers in choosing products and services which meet his/her requirements. Before the customer relationship is established, the Company 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 will suit the customer's needs.
- Clearly state the information that the Company requires to collect from the customer to fulfill its 'Know Your Customer' norms and to comply with legal and regulatory requirements in force from time to time.
- Request for additional information about the customer and his/her family to build a database; but this information will be furnished by the customer only if she/he wishes to do so.

The Company 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.

The Company will guide its customer on rights and responsibilities specific to the mode of operation under which the product is taken. Before offering any kind of fund based or non-fund based non-banking facility the Company will assess the ability of the customer (prospective borrower) to repay.

The loan application form shall indicate the documents required to be submitted along with the application form.

The Company shall provide to the prospective borrower an acknowledgment for receipt of all loan applications.

All communications to the borrower shall be in a language as understood by the borrower.

SAMAARU FINANCE shall convey in writing to the borrower by means of sanction letter or otherwise, the amount of loan sanctioned along with the terms and conditions including annualized rate of interest and method of application thereof and keep the acceptance of these terms and conditions by the borrower on its record.

As complaints received against NBFCs generally pertain to the charging of high interest/penal interest, SAMAARU FINANCE shall specifically mention the penal interest charged for late repayment in the loan agreement. Appropriate internal principles and procedures for determining interest and other charges shall be laid down and be subjected to review keeping in view the business exigencies, regulatory and customer sentiments, market practices, etc. The acceptance of the terms and conditions communicated by the borrower shall be preserved by the Company in its records.

SAMAARU FINANCE 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. The Company shall give notice to the borrower in the vernacular language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges, etc. The Company shall ensure that changes in interest rates and other charges are effected only prospectively. The loan agreement shall contain a specific clause to this effect. The decision of

the Company to recall/accelerate payment or performance shall be in consonance with the terms of the loan agreement.

The Company shall release all securities upon repayment of all dues or on the realization of the outstanding amount of loan subject to any legitimate right or Lien for any other claim it will have against the borrower. In case such right of set-off is to be exercised, the borrower shall be given due notice with full particulars about the outstanding claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled/paid.

Grievance Redressal Mechanism:

The Company shall also lay down the appropriate grievance redressal mechanism within the organization to resolve disputes arising in this regard. Such a mechanism shall ensure that all disputes arising out of the decisions of the Company’s functionaries are heard and disposed of at least at the next higher level. The Board of Directors shall also 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. A consolidated report of such reviews shall be submitted to the Board at regular intervals, as may be prescribed by it. To start with Company may provide the same on a quarterly basis.

- The Company 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.
- After examining the matter, the Company will send a response as soon as possible; the Company will also guide a customer on how to take the complaint further if the customer is not satisfied.
- A nodal officer shall be appointed for the redressal of grievances of the customers including the borrowers, in connection with any matter pertaining to business practices, lending decisions, credit management and recovery. The name and contact details of the nodal officer shall be displayed in the website of the Company.
- Internally constituted Customer Grievance Redressal Council comprising senior management officials, to review with the Nodal Officer and oversee the Grievance Redressal Mechanism.

As per RBI Circular No. RBI/2012-13/416 DNBS .CC.PD.No.320/03.10.01/2012-13, the Company shall display the following information prominently, for the benefit of the customers, at their branches/places where the business is transacted:

- The name and contact details (Telephone/Mobile nos. as also email address) of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company.
- 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 DNBS of RBI (complete contact details), under whose jurisdiction the registered office of the Company falls i.e. Mumbai Regional Office.

Customer Service and Grievance Handling

Standard Operating Procedure (SOP) for RBL Bank and Samaaru Finance Private Limited – Co-Lending under CLM2 Model

Sr. No.	Parameter	Description
1)	Background	Customer Service is a key focus area of Samaaru Finance Private Limited. Customer Service for us is a holistic approach targeting consistent improvement in customer experience and quality of operations. We strongly believe that a satisfied customer is the most important factor in developing our business. The Customer Grievance Redressal Policy outlines the framework for addressing the customer grievances.
2)	Objective	<ul style="list-style-type: none"> ● All customers are always treated fairly and without bias ● All issues raised by customers are dealt with courtesy and resolved on time ● Customers are made completely aware of their rights so that they

		can opt for alternative remedies if they are not fully satisfied with our response or resolution to their complaint
4)	Responsibility	<p>As per the definition on the Annexure IV (Grievance Redressal) of the Standard Operating Procedures (SOP) agreed between RBL Bank Ltd & Samaaru Finance Private Ltd.</p> <ul style="list-style-type: none"> ▪ Samaaru shall be primarily responsible for providing the required customer service and grievance redressal to the Borrower. However, any complaint registered by a Borrower with Samaaru and/or the Bank shall also be shared with the Bank/ Samaaru. The Samaaru grievance redressal policy aims at ensuring prompt redressal of customer complaints and grievances. The review mechanism for grievance redressal should also help in identifying shortcomings in product features and service delivery.
3)	Policy Overview	<ul style="list-style-type: none"> ▪ Samaaru policy on grievance redressal follows the under noted principles. <ol style="list-style-type: none"> a. Customers would be treated fairly at all times. b. Complaints raised by customers are to be dealt with courtesy and without undue delay. c. Grievances of pensioners, physically challenged and senior citizens are to be dealt with priority. d. Customers are fully informed of avenues to escalate their complaints/grievances within the organization and their rights to alternative remedy if they are not fully satisfied with the response of Samaaru to their complaints. ▪ Policy Document Availability & Complain Handling Process <ol style="list-style-type: none"> a. This policy document would also be made available at all branches and on the Samaaru Finance website b. The concerned employees would be made aware about the Complaint handling process. c. A complaint can also be lodged by calling our customer care number, by post or through electronic means, if he/she is not satisfied with the services provided by Samaaru. d. All complaints will be recorded by Sammaru Finance in a database file.
7)	Escalation Matrix for Resolution of Complaints	<ul style="list-style-type: none"> ▪ First Level In case customer has a Request, Query & Feedback, they may write/connect to us on below links- Write to Us - Respective Cluster Heads Call Us - VLA/ SO/ RM/ CH at your location. Visit Us- www.samaaru.com Post Us-Samaaru Finance Pvt. Ltd. Floor#7, Amar Madhuban Tech Park, Baner, Pune- 411045, (Maharashtra) India. <p>If customer has not got any response in 7 days or not satisfied with response then they can escalate to next level</p> <ul style="list-style-type: none"> ▪ Second Level In case customer's concern has not been addressed at level 1 or satisfactorily response has not been received, then customer may reach Samaaru Grievance Redressal via below link. Write to Us - Respective State Heads Call Us - State Head at their contact numbers / at your location.

		<p>Visit Us- www.samaaru.com Post Us-Samaaru Finance Pvt. Ltd. Floor#7, Amar Madhuban Tech Park, Baner, Pune- 411045, (Maharashtra) India.</p> <p>If customer has not got any response in 7 days or not satisfied with response then they can escalate to next level</p> <ul style="list-style-type: none"> ▪ Third Level In case the customer's concern has not been addressed at level 2; he/ she may write to Samaaru Finance Nodal Officer at below mentioned address- <p>Write to Us - Nodal Officer/ COO/ CEO Email : nodal.officer@samaaru.com Mobile : +91 8484038582 Samaaru Finance Pvt. Ltd. Floor#7, Amar Madhuban Tech Park, Baner, Pune- 411045, (Maharashtra) India.</p> <p>(After 30 days, if customer complains to Banking Ombudsman (https://cms.rbi.org.in) or the Customer Education and Protection Cell (CEPC) in RBI) the same to be shared/escalated to RBL Bank (www.rblbank.com)</p>
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Repossession of assets: The Company shall have a built-in re-possession clause in the contract/loan agreement with the borrower which shall be legally enforceable. To ensure transparency, the terms and conditions of the contract/loan agreement shall also contain provisions regarding:

- Notice period before taking possession;
- Circumstances under which the notice period can be waived;
- The procedure for taking possession of the security;
- Provision regarding final chance to be given to the borrower for repayment of the loan before the sale/auction of the property;
- Procedure for giving repossession to the borrower
- Procedure for sale/auction of the property.

Nodal Officer / Principal Nodal Officer NBFCs covered under the [Ombudsman Scheme for Non-Banking Financial Companies, 2018](#) shall appoint Nodal Officer/ Principal Nodal Officer in accordance with directions as provided under Annex VII.

Regulation of Excessive Interest Rate

- SAMAARU FINANCE 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.
- The rates of interest and the approach for gradation of risks shall also be made available on the website of the companies or published in the relevant newspapers. The information published in the website or otherwise published should be updated whenever there is a change in the rates of interest.
- The rate of interest should be annualized rates so that the borrower is aware of the exact rates that would be charged to the account. As per the circular issued by the RBI on July 14, 2014, the Company shall not charge pre-payment penalties on any floating rate term loans sanction to Individual Borrowers.

The Company has received an NBFC licence from RBI (vide No N-13.02454 dated March 15,2023) permitting the company to commence NBFC operations which the company will be initiating shortly

Kindly note the company is having a valid Certificate of Registration dated 15-03-2023 issued by Reserve Bank of India under section 45 IA of the Reserve Bank of India Act, 1934. However the Reserve Bank of India does not accept any responsibility or guarantee about the present position or the correctness of any of the statements or representations made or opinions expressed by the company and for the repayment of deposits / discharge of liabilities by the company