



FAIR PRACTICE CODE

MS FINCAP PRIVATE LIMITED

MS FINCAP PVT.LTD.
C-81B, Chaitanya Marg
C- Scheme, Jaipur, RAJ- 302001
info@msfincap.com | 0141-4036554
CIN: U67120RJ2016PTC055220



TABLE OF CONTENTS

- 1. INTRODUCTION**
- 2. REGULATORY REQUIREMENTS**
- 3. ABOUT THE CODE**
- 4. OBJECTIVES OF THE CODE**
- 5. COMMITMENT OF MS FINCAP**
- 6. APPLICATION FOR LOANS AND THEIR PROCESSING**
- 7. LOAN APPRAISAL AND TERMS & CONDITIONS**
- 8. PENAL CHARGES IN LOAN ACCOUNTS**
- 9. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS**
- 10. RESPONSIBLE LENDING CONDUCT- RELEASE OF PROPERTY DOCUMENTS ON REPAYMENTS/
SETTLEMENT OF LOANS**
- 11. GENERAL**
- 12. RESPONSIBILITY OF BOARD OF DIRECTORS**
- 13. RESERVE BANK- INTEGRATED OMBUDSMAN SCHEME, 2021**
- 14. LANGUAGE AND MODE OF COMMUNICATING FAIR PRACTICE CODE**
- 15. REGULATION OF INTEREST RATES**
- 16. LOAN FACILITIES TO THE PHYSICALLY / VISUALLY CHALLENGED BY NBFCs**
- 17. CONFIDENTIALITY OF INFORMATION**
- 18. COLLECTION OF DUES**
- 19. GRIEVANCE REDRESSAL MECHANISM**
- 20. GUARANTORS**
- 21. REVIEW**



1. INTRODUCTION

MS FINCAP PRIVATE LIMITED (Hereinafter referred to as “Company”) is a Non- deposit taking NBFC registered with the Reserve Bank of India. The purpose of this document is to define the Fair Practice Code (FPC) of the Company in accordance with the RBI Directions for Non-Banking Financial Companies.

It is focused on offering financing of Loan against Property, Educational Loans (Fees Loan), School Loans (Unsecured Funding), Personal and Business Loans.

2. REGULATORY REQUIREMENTS

The Reserve Bank of India has issued its extant guideline in respect of Fair Practice code, to be followed by an NBFC, by defining and setting standards, which are expected to comply with, while dealing with its existing or prospective customers, vide master circular. DNBR (PD) CC. No. 054/03.10.119/2015-16 dated July 01, 2015 and Master Direction-Non-Banking Financial Company Non- Systemically Important Non- Deposit taking Company (Reserve Bank) Direction, 2016 as amended from time to time. These guidelines are issued under section 45 L of Reserve Bank of India Act, 1934.

The Company has put in place the best practices to be followed while operating (which has been set out forth in this document) and implemented a “Fair Practice Code”.

3. ABOUT THE CODE

The code is applicable on all the services, rendered by the company from all its operating/service locations covering its every single establishment. The officials and authorized signatories of the company are required to follow the code meticulously, irrespective of the place and location as well as the medium through which they render services. The company has adopted a Fair Practices Code and will implement this Code in our organization, which has duly been approved by the Board of Directors.

4. OBJECTIVE OF THE CODE

Our Company declares and undertakes that the primary objectives of the Code are as follows:

1. To provide and promote professional, efficient, diligent and fast services.
2. Not to discriminate any borrower on the basis of religion, caste or gender.
3. To be fair and honest in advertisement and marketing of the loan products.
4. To provide customers with accurate and timely disclosure of terms, costs, rights and liabilities regarding loan transactions and to promote cordial relationship between customer & company.
5. To attempt in good faith to resolve any disputes or differences with customers by setting up complaint resolution process within the organizations.
6. To comply with all the regulatory requirements in good faith.



5. **COMITTEMENT OF MS FINCAP**

The Company shall adhere to this code to act fairly and reasonably in all dealings, on the ethical principle of integrity and transparency, to meet the standard practices prevalent in the finance industry & strive to set higher benchmarks.

The Company will provide clear and transparent information to customers in the language of their preference so as to enable them to understand-

- Terms and conditions of the products and services offered including the interest rates and charges.
- Benefits available to customers.
- Products and services of the company will meet relevant laws and regulations in both letter and in spirit.
- The Company will act quickly in correcting mistakes and attending to complaints lodged by its customers.
- The Company shall not discriminate amongst its prospective/existing customers on the basis of age, race, caste, gender, marital status, religion or disability.
- A copy of the code will be posted on the Company's website and in a visible location at each branch office.
- A copy of the code may be provided on request to any prospective or existing customer.

6. **APPLICATION FOR LOANS AND THEIR PROCESSING**

- All communication to the borrower shall be English as well as the vernacular language or the language understood by the borrower.
- Loan application forms shall include necessary information that affects the interest of the borrower so that an informed decision can be taken.
- Acknowledgement for receipt of all loan applications will be given to the borrower through physical or digital mode.
- Normally, all particulars required for processing the loan application will be collected by the Company at the time of the application. In case if required any additional information, the customer will be informed to provide the same.

7. **LOAN APPRAISAL AND TERMS & CONDITIONS**

- Every loan approval shall be communicated to the borrower in the Vernacular language by way of a Sanction Letter which shall include the terms and conditions of the loan including the loan amount approved, processing fees, annualized rate of interest, tenor of the loan, penal charges etc.
- A copy of the sanction letter shall be given to the borrower for records and the contents explained in a language understood by the borrower.

8. PENAL CHARGES IN LOAN ACCOUNTS

- Penalty for non- compliance of material terms and conditions shall be treated as penal charges and will not be capitalized.
- The penal charges in case of loans sanctioned to all borrowers- individual borrowers, non-individual borrowers, borrower for business purposes or otherwise- will have the same penal charges applicable for similar breach of material terms & conditions
- The Company will at all times have a Charges index disclosing all charges applicable in the loan, most important terms & conditions displayed on the Company's website.
- Any changes in the charges in alignment to the RBI Guidelines will be informed through text message or email communication on the registered contact number or email ID of the customers. Customers can access the website at all times to check the updated charges applicable to their loans.

9. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- If there are any changes in the terms and conditions, a notice will be given in a language understood by the borrower indicated the change of terms. Changes in the interest rates and charges shall be effected only prospectively.
- Any decision to recall/accelerate payment or performance will be in consonance with the loan agreement.
- All collateral documents & charges will be released on repayment of all dues or on realization of the outstanding amount as long as the Company's legitimate right or lien for any other claim is not violated. If such set- off is to be exercised, the Company will give notice about the same with full particulars to the borrower.

10. RESPONSIBLE LENDING CONDUCT – RELEASE OF PROPERTY DOCUMENTS ON REPAYMENT/SETTLEMENT OF LOANS

- The company will release all original property documents within a period of 30 days after full repayment/settlement of the loan account.
- The timeline and place of return of documents, either at a branch or at HO, will be mentioned in the loan sanction letter.
- In case of demise of joint or single borrower, the company will have a well laid procedure to be followed for return of documents to legal heirs.
- In case of delay in releasing of property documents, the company shall communicate customer with the reason of delay through call, SMS or mail to keep customer apprised.
- Photographs of collateral documents being handed over to the customers will be maintained for future audit purposes.

11. **GENERAL**

- MSFC will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of the Sanction Letter and Loan Agreement unless new information, not earlier disclosed by the borrower comes to the notice of the Company.
- For any request for Balance Transfer received from the borrower, the consent or otherwise will be communicated within 21 days of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with the law.
- MSFC will not resort to undue harassment for recovery of dues. Proper training shall be given to the field staff to ensure that borrowers are dealt in an appropriate manner.
- The Board of the Company will review the Redressal of grievances at regular intervals. The management will place before the board the status of all complaints at regular intervals.
- If the resolution of complaint is delayed beyond 1 month of receipt, or the Customer is not satisfied with the reasons of delay conveyed to him/ her, then He/ She may file a complaint with NBFC Ombudsman through the complaint lodging portal of the Ombudsman at <https://cms.rbi.org.in> or through the e-mail.

12. **RESPONSIBILITY OF BOARD OF DIRECTORS**

- The Board of Directors of MSFC will also lay down the appropriate grievance redressal mechanism within the organization. Such a mechanism will ensure that all disputes arising out of the decisions of lending institution's functionaries are heard and disposed of at least at the next higher level.
- The Board of Directors will 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.

13. **RESERVE BANK – INTEGRATED OMBUDSMAN SCHEME, 2021**

Reserve Bank – Integrated Ombudsman Scheme 2021 followed by the Company.

14. **LANGUAGE AND MODE OF COMMUNICATING FAIR PRACTICE CODE**

Fair Practice Code (preferably in Vernacular Language as understood by the Borrower) based on the guidelines outlined shall be put in place by branches with the approval of their Boards. The same shall be put up on their website.

15. **REGULATION OF INTEREST RATES**

- The Board has approved an interest rate model taking into account relevant factors such as cost of funds, margin & risk associated with the customer profile to 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 in the application form.
- The rate of interest will be annualised rate so that the borrower is aware of the exact rates that would be charged to the account.
- The rate of interest will be fixed in all cases so there is no service issues related to the change in the important terms & conditions mentioned in the sanction letter.

16. LOAN FACILITIES TO THE PHYSICALLY /VISUALLY CHALLENGED BY NBFCs

The Company shall not discriminate in extending products and facilities including loan facilities to physically/visually challenged applicants on grounds of disability. All branches of Company's shall render all possible assistance to such persons for availing of the various business facilities. The Company shall include a suitable module containing the rights of persons with disabilities guaranteed to them by the law and international conventions, in all the training programmes conducted for their employees at all levels. Further, The Company shall ensure redressal of grievances of persons with disabilities under the Grievance Redressal Mechanism already set up by them.

17. CONFIDENTIALITY OF INFORMATION

The Company shall collect personal information that it believes to be relevant and required to understand the customer profiles and conduct its business. The Company will not reveal the personal data or personal information of customer to anyone including other Companies in the group except when:

- Required by the Law
- Pursuant to duty towards public to reveal information
- Lenders require information for assessment of our company
- With Customer permission
- If the Company gives a reference about customer to Companies in the group with the prior written permission of the customer.

18. COLLECTION OF DUES

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. As complaints from customers also include rude behaviour from the staff of the Companies. The Company will ensure that the staffs are adequately trained to deal with the customers in an appropriate manner.

19. GRIEVANCE REDRESSAL MECHANISM:

- The Board of Directors of the Company has laid down an appropriate Grievance Redressal Mechanism within the Company to resolve disputes raised by the Customers.
- The name and contact details of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company are mentioned below:

Grievance Redressal – Contact Details

Name: Arun Mishra

Designation: COO

Contact Number: 0141-4036554

Email Id: info@msfincap.com



Website: www.msfincap.com

Address: MS FINCAP PRIVATE LIMITED

C- 81 B, Chaitanya Marg, C- Scheme, Jaipur- 302001 (Rajasthan)

If the complaint/grievance is not resolved within a period of one month, the applicant/borrower may appeal to the Officer- in- Charge of the Regional Office of the Reserve Bank of India at the following address:

Officer-In- Charge of DNBS

Reserve Bank of India

Department of Non- Banking Supervision

Regional Office, Rambagh Circle, Tonk Road

Jaipur- 302004 (Rajasthan)

20. **GUARANTORS**

When an individual person intends to be a Guarantor for a Loan, he/she will be informed about:

- His/her liability as Guarantor;
- The amount of liability he/she will be committing himself/herself to the Company as Guarantor;
- Circumstances in which the Company may call on him/her to pay up his/her liability.
- Whether his/her liabilities as a Guarantor are limited to a specific quantum or are they unlimited.

21. **REVIEW**

- The Board shall review and amend this code as and when required.
- If at any point a conflict of interpretation /information between the code and any regulations, rules, guidelines, notifications, circulars, master circulars, directions issued by the relevant authorities (“Regulatory Provisions”) arises, then interpretation of the Regulatory Provisions shall prevail.
- In case of any amendment (s) and /or clarification (s) to the Regulatory Provisions, the code shall stand amended accordingly from the effective date specified as per the Regulatory Provisions.

MS FINCAP PVT.LTD.
C-81B, Chaitanya Marg
C- Scheme, Jaipur, RAJ- 302001
info@msfincap.com | 0141-4036554
CIN: U67120RJ2016PTC055220