

INSTA CAPITAL PRIVATE LIMITED

FAIR PRACTICE CODE

1. Introduction

INSTA CAPITAL PRIVATE LIMITED (“the Company”) has framed and adopted a voluntary code, which sets out the principles for fair practice standards when dealing with customers. As per the RBI directives, we have adopted and will implement this Code in our organization which has been duly approved by Board of Directors of the Company. This Fair Practices Code applies to the all categories of products and services offered by the Company (currently offered or which may be introduced at a future date).

2. Key Commitments

The Company's key commitments to customers:

- a) Act fairly and reasonably in all their dealings with customers by:
 - Meeting the commitments and standards in this Code, for the products and services the Company offers and in the procedures and practices its staff follows
 - Making sure that Company's products and services meet relevant laws and regulations
 - Company's dealings with customers will rest on ethical principles of integrity and transparency.
- b) Help customers understand how company's product work by:
 - Explaining their financial implications and features
- c) Deal quickly and sympathetically with things that go wrong by:
 - Correcting mistakes quickly
 - Handling customer's complaints quickly
 - Telling customers' how to take their complaint forward if they are still not satisfied

3. Information

- a) Helping customer choose products and services, which meet their needs and give them clear information explaining the key features of the services and products they are interested in.
- b) Inform customers about the documentary information the Company needs from them to establish customer's true identity and address and, other documents to comply with legal and regulatory requirements.

4. Applications for loans and their processing

- a) All communications to the borrower shall be in the English, Hindi, a vernacular language or a language as understood by the borrower.
- b) The Loan application forms of the Company 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.

- c) The Company has a system of acknowledging receipt of all loan applications.

5. Loan appraisal and terms/conditions

The Company will convey to the borrower in the vernacular language or a language as understood by the borrower by means of sanction letter or otherwise, the amount of loan approved 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.

The Company will furnish a copy of the loan documents and related enclosures to the customers at the time of sanction / disbursement of loans.

6. Disbursement of loans including changes in terms and conditions

- (a) The Company will give notice to the borrower in the vernacular language or a 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 should also ensure that changes in interest rates and charges are effected only prospectively.
- (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 the 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 the Company is entitled to retain the securities till the relevant claim is settled/paid.

7. 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 documents (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, 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 staff are adequately trained to deal with the customers in an appropriate manner and will not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.

8. Further Assistance

- (a) A grievance redressal mechanism within the organisation has been set up to resolve disputes arising in this regard.

- (b) The following information is displayed prominently, for the benefit of the customers, at all branches / places of the Company where business is transacted:
- i) The Company has designated Mr. Vivek Bajaj, and Mr.Ravi Bajaj as Nodal Officers for receiving and resolving complaints from customers.
 - ii) The contact details of Nodal Officer are:
Mr. Vivek Bajaj / Mr.Ravi Bajaj,
Insta Capital Private Limited,
207 Niranjana, 99 Marine Drive,
Mumbai 400002
Ph: 022 2281 6392 / 93
 - iii) The customers having grievance/ complaint about our services/ product may inform in writing to Nodal Officer for immediate resolution of the same. Nodal Officer will provide the highlights of the complaints received and redressal to the Board of Directors for their review and compliance at each subsequent meeting.
 - iv) 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, Mumbai under whose jurisdiction the registered office of the Company falls.

9. Posting on Website

Fair Practices Code has been put up on the web-site of the Company (www.instacapital.in) for the information of various stakeholders.

10. Regulation of rate of interest

- (a) The Board of Directors has adopted an interest rate model for determining the rate of interest to be charged on loans and advances, processing and other charges taking into account relevant factors such as, cost of funds, margin and risk premium. 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/or communicated explicitly in the sanction letter.

11. Repossession of hypothecated assets financed by the company

The Company has a built in re-possession clause in the loan agreement with the borrower which is legally enforceable. To ensure transparency, the terms and conditions of the loan agreement should also contain provisions regarding:

- (a) notice period before taking possession;
- (b) circumstances under which the notice period can be waived;
- (c) the procedure for taking possession of the security;
- (d) a provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the security;
- (e) the procedure for giving repossession to the borrower and
- (f) the procedure for sale / auction of the property.