

<<On the Letterhead of the Company>>

**Indira In Fin Lease Limited
Fair Practice Code Policy**

A. Introduction

Indira In Fin Lease Limited (“**Company**”), an NBFC, is registered with the Reserve Bank of India (RBI) as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company (NBFC ND-SI).

The Fair Practices Code, as mentioned herein below, is in conformity with these Guidelines on Fair Practices Code for NBFCs as contained in the aforesaid RBI Circular. This sets minimum Fair Practice standards for the Company to follow when dealing with customers. It provides information to customers and explains how the Company is expected to deal with them on a day to day basis.

This Fair Practices Code shall apply to the Company and other persons who are authorized on behalf of the Company to represent it in the course of its business, and will apply across all products and services offered, whether they have been provided offline or online or by any other method, through the Company.

The Company will deal quickly and sympathetically in attending to customer complaints in light of the objectives of this Fair Practices Code. The Company shall treat all personal information of customers as private and confidential and shall not divulge any information to an unrelated third party, unless required by any law or Government authorities, including Regulators or Credit agencies or where the sharing of information is permitted by the customer. The Company would provide, on request, a copy of this Fair Practice Code to the borrowers. The Company shall not discriminate its customers on the basis of race, caste, gender, marital status, religion or disability.

B. Applications for loans and their processing

The Company shall ensure that all communications to the borrower shall be in the vernacular language or a language as understood by the borrower.

The Loan application forms of the Company will include the necessary information that affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made, and an informed decision can be taken by the borrower. The loan application form will indicate the documents required to be submitted with the application form.

The Company will have a system of giving acknowledgement for receipt of all loan applications. The time frame within which loan applications will be disposed of will be indicated in the acknowledgement.

If the Company cannot provide the loan to the customer, it shall communicate the same to the customer through its appointed representatives or directly to the customer verbally. In case the customer requires the same in writing, the reason(s) for rejection may be provided in writing.

C. Loan appraisal and terms/conditions

The Company will convey in writing to the borrower in English, as confirmed to be understood by the borrower, by means of a 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.

The company shall obtain an acceptance from the borrower on the said sanction letter with the borrower's signature under the caption "I/WE ACCEPT ALL THE TERMS AND CONDITIONS WHICH HAVE BEEN READ AND UNDERSTOOD BY ME/US." The company shall maintain a record of such acceptance.

For all retail and MSME term loans sanctioned, the Company will provide a Key Facts Statement (KFS) in a standardized format (as per Annex A of RBI Circular RBI/2024- 25/18) to prospective borrowers before executing the loan contract.

A copy of the loan agreement, including the KFS and all enclosures, will be furnished to borrowers at the time of sanction/disbursement in a language understood by them.

Penal charges for late repayment will be mentioned in bold in the loan agreement and disclosed in the KFS.

No fees or charges not mentioned in the KFS will be levied during the loan term without the borrower's explicit consent.

D. Penal charges in loan accounts

Penalty, if charged, shall be treated as 'penal charges'. There shall be no capitalisation of penal charges i.e., no further interest computed on such charges. These charges shall be over and above the rate of interest and will not affect the normal procedures for compounding of interest in the loan account.

The quantum of penal charges shall be reasonable and commensurate with the noncompliance of material terms and conditions of loan contract without being discriminatory within a particular loan / product category.

The penal charges in case of loans sanctioned to 'individual borrowers, for purposes other than business', shall not be higher than the penal charges to non-individual borrowers for similar non-compliance of material terms and conditions.

The quantum and reason for penal charges shall be clearly disclosed to the customers in the loan agreement, Key Fact Statement (KFS) as, in addition to being displayed on websites under Interest rates and Service Charges.

Whenever reminders for non-compliance of material terms and conditions of loan are sent to Borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason thereof shall also be communicated.

Penal charges:

The penal charges shall be levied in accordance with the Company's Board-approved policy on penal charges and in compliance with the applicable regulatory guidelines issued by the Reserve Bank of India (RBI), as amended from time to time. Considering the nature of the business of borrowers and the credit profile, material non-compliances for which penal charges may be stipulated in financing documents may vary on a case-by-case basis, which shall be decided by respective business teams.

Appropriate amendments shall be made in case of existing loans in the prescribed timeline

E. Disbursement of loans, including changes in terms and conditions

The Company will give notice to the borrower in English, as confirmed to be understood by the borrower, of any change in the terms and conditions including disbursement schedule, interest rates, service charges etc. The Company should also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard will be incorporated in the loan agreement.

Any Decision by the Company to recall / accelerate payment or performance under the agreement will be in consonance with the loan agreement.

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 the borrower, in case of secured loans. 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.

F. General

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 agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the Company).

In case of receipt of request from the borrower for transfer of the 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.

In the matter of recovery of loans, the Company will not resort to undue harassment viz. persistently bothering of the borrowers at odd hours, use of muscle power for recovery of loans, etc. To avoid rude behavior from the staff of the Company, the Company shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner.

The company reserves the right to amend / alter / modify the codes as mentioned herein above and provide updates from time to time, not affecting/sacrificing the underlining spirit of the code.

The Company shall give notice to the borrower in English or in vernacular language / the language as understood by the borrower, of any change in the terms and conditions including disbursement schedule, interest rates, services charges, prepayment charges etc. The Company shall also ensure that changes in interest rates and charges are affected only prospectively. This clause will be covered in the loan agreement as well.

The Company shall ensure that any public promotional material is clear and not misleading. This Fair Practice Code shall also apply to sales associates / representatives of the company to the extent of their identification when they approach the customer for selling products personally.

G. Release of Securities:

All securities shall be released on repayment of all dues by the client on the loan facility, and, where the client has offered the same security on other facilities extended to or guaranteed by the client, on repayment of all dues on all such facilities.

Any set-off of dues against the security may be made only after due notice of the same is provided to the client along with the particulars of the claims and the terms and conditions under which the Company is entitled to such set-off. The same will be in consonance with the terms of the Loan agreements.

H. Responsibility of Board of Directors

The Board of Directors of the Company have laid down an appropriate grievance redressal mechanism within the organization. Such a mechanism ensures that all disputes arising out of the decisions of lending institutions' functionaries are heard and disposed of at least at the next higher level.

The Board of Directors has laid down a mechanism 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.

I. Regulation of rate of interest

The Board of Directors of the Company has adopted an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and has accordingly determined 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 rates 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 will be made available on available on the website of the company. The information published on the website shall be updated whenever there is a change in the rates of interest.

The rate of interest is the annualised rate, so that the borrower is aware of the exact rates that would be charged to the account.

J. Interest rate and other charges

The Company has laid out appropriate internal principles and procedures in determining interest rates and processing and other charges. In this regard, the guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans are kept in view.

The Company shall not charge an interest rate beyond a certain level, which may be seen as excessive or not sustainable or not conforming to normal financial practices.

The Company shall not charge foreclosure charges/ pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual borrowers, with or without co-obligant(s).

In this regard the guidelines indicated in the Fair Practices Code about transparency in respect of terms and conditions of the loans are kept in view.

K. Repossession of loans and other assets financed

The Company will include a built in re-possession clause in the loan agreement with the borrower, which will be legally enforceable.

To ensure transparency, the terms and conditions of the loan agreement, shall also contain provisions regarding:

Notice period before taking possession, unless there comes a situation where the LTV ratio breaches RBI Guidelines and immediate action is required to be taken;

Circumstances under which the notice period can be waived;

The procedure for taking possession of the security;

A provision regarding final chance to be given to the borrower for repayment of loan before the sale / auction of the shares/stocks;

The procedure for giving repossession to the borrower.

A copy of such terms and conditions will be made available to the borrowers.

L. Confidentiality

The Company will treat all personal information of the borrowers as private and confidential (even when the borrower is no longer a customer). The Company will not reveal transaction details of the accounts to a third party, including to group entities, except under following circumstances:

The Company is required by, law or by the order of a court or any statutory authority or as a part of investigation by a public authority, to provide such information,

If it is in the interest of the borrower to provide such information (e.g. fraud prevention)

The Borrower requests us to provide information, or

The Borrower gives us permission to provide such information to our group / associate / entities or companies where the Company have tie-up arrangements for providing other financial service products.

M. Credit rating agencies

The Company would give information about customers to Credit Rating Agencies as prescribed by RBI on:

Opening of an account.

The status of monthly repayments made or not made.

Whether legal proceedings have been initiated against the customer to recover the dues.

N. Grievance redressal

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The Company has also established a robust Grievance Redressal Mechanism which is in place to address customer complaints in a timely and fair manner.

- Grievance Redressal Officer (GRO):

Name: Mr. Akshay Kamdar

Phone: +91 88795 72633

Email: akshay@indirainfinlease.com

Address: 8, Bentinck Street Back Portion, 1st Floor, Kolkata, West Bengal, India, 700001

The complaint will be addressed within 30 working days. If the customer is not satisfied, they may escalate the issue to the RBI: Officer-in-Charge Centralised Receipt and Processing Centre, Reserve Bank of India, Kolkata

A periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management would be undertaken by the Company and a consolidated report of such reviews shall be submitted to the Board of Directors of the Company at regular intervals

The Company shall abide by this Fair Practices Code following the spirit of the Code and in the manner it may be applicable to its business.