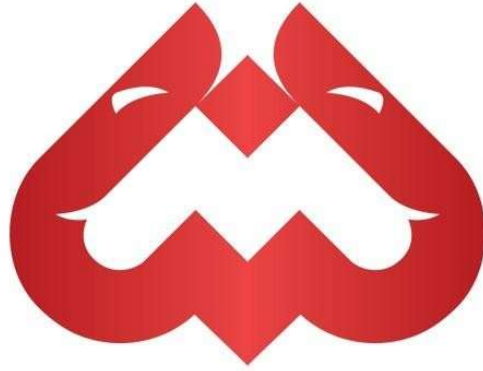


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MANGAL
CREDIT & FINCORP LIMITED

*Ek Mangalamay
Shuruvaat*

Fair Practice Code Policy

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1. BACKGROUND:

Mangal Credit and Fincorp Limited (hereinafter referred to as “MCFL” or “the Company”) is a public limited Company incorporated under the provisions of the Companies Act, 1956 and is a Non- Systemically Important and Non-Deposit Accepting Non-Banking Financial Company (NBFC-ND-NSI). Being a NBFC company, the company is required to adopt the Fair Practice code (FPC or Code) duly approved by the Board of Directors of the company in accordance with the “Guidelines on Fair Practice Code” issued by RBI for/under Master Directors for Non Banking Financial Company – Non Systemically Important – Non Deposit taking.

2. OBJECTIVE

The Fair Practices Code is aimed to provide to the customers effective overview of practices, which will be followed by the Company in respect to the financial facilities and services offered by it to its customers.

The main objectives of the FPCs are:

- a) To promote and adopt good and fair practices in dealings with customers.
- b) To promote a fair relationship between the customer and Company.
- c) To strengthen mechanisms for redressal of customer grievances.
- d) To increase transparency so that the customers can have better understanding of the products/services being offered by the Company;

3. POLICY APPROVAL AND REVIEW

The policy and any material changes herein shall be approved by the Board of Directors.

The Policy shall be reviewed as and when required by the applicable rules and Regulations.

4. APPLICABILITY AND EFFECTIVE DATE

All the employees of the Company, while dealing with customers, will have to ensure adherence with the Code.

This Policy shall be effective from the date of approval of this policy and supersede all

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previous versions of FPC.

Fair Practice Codes / Standards - The Company and its employees will follow the following Fair Practices standards / Codes provided herein.

5. APPLICATIONS FOR LOANS AND ITS PROCESSING:

- a. All communications to the borrower will be in English language or vernacular language or a language as understood by the borrower.
- b. All loan application forms will contain 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 application form will indicate the documents required to be submitted with it. However, the Company, based on its internal credit/ policy requirements, may seek other documents from the borrower as it may deem fit.
- c. The Company will have a system of giving acknowledgement for receipt of all loan applications.
- d. Verification – The company may carry verification of customer/s via contacting over phone / visiting their residence/s / office/s / business place/s through agencies / authorized representative appointed by it or employees etc.
- e. The Company, at its sole discretion, will evaluate the proposal based on the documents/ information provided by the borrower / available with it.

6. LOAN APPRAISAL AND TERMS AND CONDITIONS

- a. The Company will ensure that there is proper assessment of credit application made by borrowers in accordance with Company's credit policies and procedures.
- b. If loan application is sanctioned, the company will convey in writing important terms and conditions to the borrower, in English or the vernacular language or a language understood by the borrower, information with respect to the amount of loan sanctioned along with other important terms and conditions including effective annualized rate of interest, method of application, prepayment, penal and other rates charges etc. The Company will mention the penal interest charged for late repayment in bold in the loan agreement.
- c. The Company will furnish a copy of the loan agreement preferably English or in the vernacular language or a language 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

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- d. The Company shall not charge foreclosure charges/ pre-payment penalties on all floating rate term loans sanctioned to the individual borrowers.

7. DISBURSEMENT OF LOANS INCLUDING CHANGES IN TERMS AND CONDITIONS

- a. The Company will ensure timely disbursement of loans sanctioned in conformity with the terms and conditions governing such sanction and as per its internally policies and procedures.
- b. The Company will ensure that changes in interest rates and charges are affected only prospectively unless agreed otherwise with customer. A suitable condition in this regard should be incorporated in the loan agreement.
- c. In case of receipt of request from the borrower for transfer of borrower account, the consent or otherwise i.e. objection of the Company, if any, shall be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per contractual terms in consonance with law.

8. COLLECTION/ RECOVERY OF DUES

- a. The Company's decision to recall / accelerate payment or performance under the loan agreement or seeking additional securities shall be in accordance with the loan agreement signed with the borrower;
- b. If any recovery proceedings need to be initiated, these shall be conducted in accordance with the legally valid rights available to the Company
- c. The Company will not resort to coercive measures for recovery of loan;
- d. The Company, wherever applicable, will have built in a legally enforceable re-possession clause in line with applicable laws/rules and regulations, with required provisions, in the loan agreement; The Company, in the event of default by the borrower or trigger of prescribed event, will have the right to take possession of the security (given by the borrower for availing the loan facility) by giving notice and / or following / complying with applicable laws to the Borrower and in accordance with the terms and conditions of the Loan Agreement;
- e. The Company will release all securities on repayment of all dues or on realization 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

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claims and the conditions under which the Company is entitled to retain the securities till the relevant claim is settled/ paid.

9. PRIVACY AND CONFIDENTIALITY:

The Company will implement adequate framework for protecting/ maintaining privacy of the data/ information gathered from the borrower.

10. GENERAL

- a. The Company shall not discriminate between the customers on the basis of age, race, caste, gender, marital status, religion, or disability. However, this shall not preclude the Company from instituting or participating in schemes framed for different sections and age groups of the society.
- b. The Company shall 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.
- c. To avoid rude behaviour from the staff of the Company, the Company will ensure that the staff is adequately trained to deal with customers in an appropriate manner.
- d. The Company will endeavour to provide full range of financial products the customer for which customer is eligible for. Some of these products/services may be its own; some others may be the products of companies with which the MCFL will have arrangements with.
- e. Lending against the collateral of jewellery: While lending to individuals against jewellery, MCFL shall put in place Board approved policy for lending against gold and jewellery that cover additional to the general guidelines provided herein. Kindly refer to Gold Loan policy provided on company's website – www.mangalincorp.com. Among other it include company to comply with RBI guideline on KYC, due diligence, assaying/valuation process, gold price to be considered as per guidelines, satisfy ownership of gold and jewellery, segregation of duty and maker / checker concept, storage of gold and jewellery in safe custody, review / audit and inspection of system/process etc on ongoing basis, training and rotation of staff, auction of jewellery and gold – should be transparent and in compliance with RBI and any other regulatory guidelines ,
- f. The Fair Practice Code will be made available on the website of the Company.

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RESPONSIBILITY OF BOARD OF DIRECTORS

The Board of Directors of the Company or a committee constituted by the Board will conduct periodical review of the compliance with the FPC and the functioning of the Grievances Redressal Mechanism at various levels of management.

Rate of Interest Regulation – The Company has adopted an interest rate model for determining the rate of interest to be charged on the loans and advances, processing fees, penal interest, other charges etc. For more details kindly refer to Policy on interest rate and charges provided on website of the company www.mangalfincorp.com.

GRIEVANCE REDRESSAL

The Company will implement a suitable mechanism for receiving and addressing complaints from their customers with specific emphasis on resolving such complaints expeditiously and in a fair manner. The mechanism will be as under; also the below information will be displayed prominently at all branches, head office and website of the company.

a. Channels to register a complaint: Any customer having a grievance/ complaint/ feedback with respect to the product and services offered by the Company may write to the Company through any of the following channels:

i) Call: 022-4246 1300

ii) Email: grievance@mangalfincorp.com

iii) Letter at the address: Customer care, Mangal Credit and Fincorp Limited

b. How a query/ complaint should be made: The aggrieved borrower is requested to provide necessary valid loan details i.e. Loan Account Number, phone number, email ID etc and nature - Feedback/ Suggestion/ Complaint.

c. Timeline and escalation within the company: As a query/ complaint may be unique in nature, the resolution of complaint may take up to 4 weeks, in case of delay company will inform customer. - 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:

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(i) Name of Grievance Redressal Officer- Mr. Paras Atul Shah

(ii) Email: grievance@mangalfincorp.com

(iii) Phone no.: 7738022198 (Mob No.)

(iv) Office Address: A-1701/02, Lotus Corporate Park, Off. Jai Coach Flyover, Ram Mandir east, Mumbai - 400063

- d. If the complaint / dispute is not redressed within a period of 30 days or customer is not satisfied with the resolution, the customer may appeal to Regional Office of DNBS of RBI, under whose jurisdiction the registered office of the Company falls. Contact details:

The General Manager,
Department of Non-Banking Supervision (DNBS),
Reserve Bank of India,
Mumbai Regional Office, 4th Floor,
RBI Byculla Office Building,
Opp. Mumbai Central Railway
Station, Byculla, Mumbai-400 008

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