



Fair Practice Code
Green Malabar Finance Venture Limited (GMFVL)

| Version | Approved Date |
|----------------|----------------------------------|
| V1 | 12th June 2024 |



Green Malabar Finance venture Limited is a Non Deposit Taking NBFC registered with the Reserve Bank of India. It uses the brand name Petromoney to communicate with its customers.

The Reserve Bank of India, (RBI), vide its notification number DNBS (PD) CC No.80/03.10.042/2005- 06 dated September 28, 2006, and subsequently through various other notifications has prescribed the broad guidelines on fair practices that are to be framed and approved by the Board of Directors of all Non-Banking Financial Companies (NBFCs). All of this has been consolidated in last Master Circular – Fair Practices Code notification number DNBR.(PD).CC.No.054/03.10.119/2015-16 dated July 1, 2015.

Green Malabar Finance Venture Limited's ("GMFVL") Fair Practice Code ('FPC') has been prepared in line with the said directions from RBI.

The FPC will be applicable to all the offices of GMFVL and shall be binding on all the employees of the organization.

Objectives of the Fair Practice Code:

The objectives of the FPC are as follows:

1. Adopt best practices in dealing with the customer.
2. Follow legal and ethically tenable business practices.
3. Be transparent and provide all necessary information to the customer.
4. Provide a framework to review and align the processes/practices to be followed by GMFVL for lending

GMFVL's Commitments

- The Company undertakes to abide by all applicable laws, regulations and guidelines passed / issued by the Regulators (Reserve Bank of India, SEBI, IRDA etc.) and other competent authorities such as Government, Local Authority etc.
- The Company undertakes not to discriminate customers on grounds of religion, caste, gender or language.
- The Company will provide clear and full information about its products and services to its customers / prospective customers and will not resort to any misleading or potentially misguiding advertisement or publicity.
- The Company undertakes to desist from introducing any products / services having elements of 'hidden charges' or lack of transparency.
- The Company undertakes to take all possible and reasonable measures to secure the safe custody of the security pledged by the customer and to compensate the customer for any accidental, inadvertent or fraudulent loss of the security whilst in the custody of the Company.
- The Company undertakes not to take advantage of any unintentional or clerical error made by the customer while transacting business.
- The Company is committed to put in place a system for promptly addressing complaints and suggestions of the customers supplemented with a structured Grievance Redressal Mechanism having an escalation matrix.



- The Company shall display the FPC on its website and also make available to the Customer, on request, a copy of the FPC on demand

Fair Practices:

Loans:

1. Loan documentation set will, inter alia, include the broad features and the terms and conditions governing the loan. This would enable the borrowers to take an informed decision by comparing and analysing the terms offered by the Company with other lenders in the market. The said Form shall also specify the documents required to be submitted by the borrowers.
2. Loan Application Form may also list out the additional information required from the borrowers and their family members to enable the Company to create the database.
3. Loan Application Form shall provide for giving an acknowledgement to the borrowers acknowledging receipt of the same.
4. All the loan applications shall be disposed of within a period of 90 days from the date of receipt of duly completed Loan Application Forms together with the requisite documents and subject to receipt of all documents complying with prevailing rules and regulations by the borrower.
5. All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.

Loan Appraisal and Terms/ Conditions:

1. The Company, before sanctioning the loan, would assess the ability of the borrowers to repay the loan.
2. The decision to lend shall be conveyed to the borrower by means of sanction letter, clearly showing the terms and conditions, annualized interest rate, method of application of interest and penal interest that shall be charged for the late payment.
3. Acceptance of the above terms and conditions and commercials indicated above shall be preserved in the company's records.

A copy of the facility agreement / documentation, along with a copy of each of all enclosures quoted in the loan agreement shall be furnished to the customer at the time of sanction/ disbursement of loans. Penal interest charged in case of late repayment shall be highlighted in bold in the loan agreement.

Disbursement of loans including changes in terms and conditions

The Company shall communicate via writing or updating on Company's website, any changes in terms and conditions of loan to the customer and apply the changes prospectively based on acceptance by the customer. The loan agreement to contain this clause explicitly mentioning that changes will be applicable prospectively.

Post Disbursement Supervision:

1. The decision, if any, of the Company to recall/accelerate payment or performance of loan shall be in accordance with the terms and conditions of the Loan Agreement.



2. The Company shall give reasonable time to the borrowers before recall the loan or asking for accelerating the payment or performance subject to the terms and conditions contained in the Loan Agreement and other related documents.

Interest Rate Calculations:

1. The company shall adopt an interest rate model considering relevant factors such as cost of funds, margin and risk premium 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.
2. The rates of interest and the approach for gradation of risks shall also be made available on our web-site. The information published in the website or otherwise published should be updated whenever there is a change in the rates of interest.
3. The rate of interest should be annualised rate so that the borrower is aware of the exact rates that would be charged to the account.

Collection Process:

1. For recovery of loans to individuals, GMFVL shall not resort to undue harassment viz; persistently bothering the borrowers at odd hours, use muscle power for recovery of loans etc.
2. GMFVL shall not charge foreclosure charges/ pre-payment penalties on all loans sanctioned to individual borrowers.

Confidentiality:

The Company may not reveal transaction details of the borrowers to any other persons except under following circumstances:

1. The information is required to be disclosed by any applicable law, any direction, request or requirement of government authority.
2. The information is required by the Auditor, professional advisors, agents or any third party service providers of the lenders who are under duty of confidentiality
3. The information is required by any person with which the lender may enter into any transfer, assignment, participation or other agreements
4. If the information is required by other banks if the borrower has availed any facility from them or any credit information bureau.

Complaints:

In case of any complaint/grievances of the borrowers, the same shall be intimated by them in writing to the Grievance Redressal Officer. The Grievance Redressal Officer shall immediately make all efforts to redress the grievances. The employees dealing with the aggrieved customer shall guide him/her to lodge a complaint.



Grievance Redressal Mechanism

The Company has laid down an appropriate grievance redressal mechanism within the organization to resolve disputes arising in this regard.

The Company shall display the following information prominently, for the benefit of its customers, at its branches / places where business is transacted

- The name and contact details (Telephone / Mobile no. and email address) of the Grievance Redressal Officer/ Principal Nodal Officer who can be approached by the public for resolution of complaints against the Company.
- Reserve Bank – Integrated Ombudsman Scheme, 2021 ('Scheme')
- Salient features of the Scheme in English, Hindi and the regional language
- If the complaint / dispute is not redressed within a period of one month, the customer may appeal to the Reserve Bank of India through the complaint lodging portal: <https://cms.rbi.org.in>.

Review of Fair Practice Code:

The Managing Director shall be authorized to review and approve any modifications to the Fair Practice Code from time to time.