



FAIR PRACTICES CODE (FPC) of RAMCHANDRA LEASING AND FINANCE LIMITED

(A Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC), Non-Deposit Taking, Non-Systemically Important (ND-NSI))

Registered Office: 201/1, Rudra Plaza, Dandia Bazar Main Road, Vadodara – 390001, Gujarat

Corporate Address: F40, Ground Floor, Sector 6, Noida – 201301, Uttar Pradesh

This Fair Practices Code ("FPC") of *Ramchandra Leasing and Finance Limited*, a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC), Non-Deposit Taking, Non-Systemically Important (ND-NSI), has been duly approved by the Board of Directors.

1. PREAMBLE

This Fair Practices Code ("FPC") is adopted by Ramchandra Leasing and Finance Limited, a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC), Non-Deposit Taking, Non-Systemically Important, in conformity with the regulatory framework prescribed by the Reserve Bank of India ("RBI"). As a regulated NBFC functioning under the Master Direction – Non-Banking Financial Company – Scale Based Regulation (SBR), 2023 and subsequent amendments, the Company recognises its responsibility to ensure that every stage of its lending operations is governed by transparency, fairness, ethical conduct, and a steadfast commitment to customer protection.

The Company acknowledges that fair conduct is not merely a regulatory requirement but a foundational element of responsible financial intermediation. This Code sets out a comprehensive system of principles, behavioural standards, and operational expectations to guide all employees, officers, authorised agents, outsourced partners, Digital Lending Apps (DLAs), Loan Service Providers (LSPs), and any person or entity engaged on behalf of the Company.

2. PURPOSE AND GUIDING PHILOSOPHY

The FPC aims to embed a culture of fairness across all facets of the credit lifecycle. The Company is committed to ensuring that customers are dealt with ethically, courteously, and transparently from the moment of first interaction until final closure of the loan. Every procedure, decision and communication shall be consistent with the principles of equity, non-discrimination, integrity, and regulatory compliance.

The Company's lending philosophy is driven by responsible credit practices, customer-centricity, and protection of borrowers from unfair treatment or misrepresentation. This Code is intended to enhance customer trust, strengthen internal governance, and ensure that the Company remains aligned with the highest standards of prudential and conduct regulation applicable to NBFC-ICC ND-NSI entities.

3. APPLICABILITY AND COVERAGE

This Code applies to all business units, branches, digital platforms, outsourced service partners, and personnel representing Ramchandra Leasing and Finance Limited. It also governs every stage of the Company's lending activities including sourcing, marketing, application evaluation, KYC verification, credit appraisal, documentation, sanction, disbursement, servicing, collections, grievance redressal, and closure.

The FPC is applicable for both physical and digital lending channels, including loans extended through LSPs and DLAs, and encompasses applicants, borrowers, co-borrowers, guarantors, rejected applicants, and existing customers seeking renewals or re-loans.

4. GOVERNANCE, OVERSIGHT, AND RESPONSIBILITY

The Board of Directors of Ramchandra Leasing and Finance Limited bears ultimate responsibility for approving, reviewing, and supervising the implementation of this Code. The Board shall ensure that the principles laid down herein are embedded in the Company's internal policies, operating procedures, and compliance frameworks.

The Compliance Officer of the Company shall oversee adherence to the Code, monitor regulatory updates, ensure that deviations are rectified promptly, and submit periodic compliance reports to the Board. Internal Audit shall independently review adherence to the FPC across departments, channels and partners, including third-party LSPs, collection agencies, and digital platforms.

The Company accepts full responsibility for the actions of its employees, officers, agents, and outsourced representatives and acknowledges that outsourcing does not dilute or transfer its regulatory obligations.

5. PRINCIPLES OF NON-DISCRIMINATORY AND ETHICAL LENDING

Ramchandra Leasing and Finance Limited shall evaluate every loan application strictly on merits, without discrimination based on religion, caste, gender, marital status, sexual orientation, disability, age (except as relevant to credit assessment), political affiliation or similar grounds.

Lending decisions shall be guided solely by considerations of repayment capacity, creditworthiness, adherence to KYC standards, internal underwriting norms, and regulatory stipulations. The integrity and dignity of every customer shall be maintained at all times, and no applicant shall be discouraged or denied consideration for reasons other than bona fide business and risk considerations.

6. TRANSPARENCY IN LOAN APPLICATION AND ASSESSMENT

The Company shall provide prospective borrowers with clear, comprehensible and complete information regarding eligibility conditions, documentation requirements, fees, charges, interest rates, KYC norms, and grievance redressal. Application forms, whether physical or digital, shall incorporate a disclosure framework that ensures borrowers understand the nature of the loan product they are applying for and the terms that would govern it.

Customers shall receive acknowledgment of their application along with an indicative timeline for processing. Verification of details shall be undertaken promptly and professionally. If additional information or clarification is required, applicants shall be informed without delay, ensuring that no applicant is prejudiced by uncertainty or lack of communication.

7. SANCTION, DOCUMENTATION, AND DISBURSEMENT PRACTICES

Upon approval of a loan, the Company shall issue a formal Sanction Letter, conveying in unequivocal terms the sanctioned amount, interest rate expressed in annualised form, processing fees, additional charges, instalment schedule, repayment obligations, penal charges, and all other components of the total cost of credit.

A Key Fact Statement (KFS) shall be furnished in accordance with RBI's digital lending norms, ensuring that every borrower is able to understand the financial implications of the credit facility. A complete, duly executed copy of the loan agreement shall be provided to the borrower free of charge.

The Company shall strictly comply with RBI's requirement that all disbursements must be made directly into the borrower's bank account and that all repayments must flow directly into the Company's designated bank account. No third-party, pool, or intermediary account shall be used. LSPs shall not collect charges on behalf of the Company, and all fees shall be disclosed transparently before execution of the loan.

8. CONDUCT AFTER DISBURSEMENT AND BORROWER RIGHTS

The Company shall ensure that any modification in the terms and conditions of the loan, including interest rates, charges, or repayment schedules, is communicated to the borrower in writing in advance. No unilateral change shall be effected without proper notice.

Borrowers shall have unrestricted access to their loan documents, account statements, repayment ledgers, and transaction records. Upon request, the Company shall provide copies of these documents within a reasonable timeframe.

Any additional charges shall be levied only with explicit borrower consent. No hidden fees, undisclosed terms, or retrospective charges shall be imposed.

The Company and its service providers shall not initiate any automatic debits, e-mandates, UPI collect requests, or payment instructions without explicit, prior and verifiable customer consent, in full conformity with RBI norms. Any unauthorised or forced debit shall be strictly prohibited.

9. INTEREST, CHARGES, AND PENAL AMOUNTS

Interest rates and charges levied by the Company shall strictly adhere to the Board-approved Interest Rate Policy. All interest shall be disclosed in annualised terms (APR). Penal charges, if applicable, shall be computed only on the overdue amount and not on the entire outstanding amount, in accordance with RBI's 2023-24 guidelines.

The Company shall maintain complete transparency regarding its pricing structure. Borrowers shall be informed of all charges at the time of sanction, and no component of pricing shall be concealed or misrepresented.

10. Fair Conduct in Communication and Customer Interactions

All communications with customers, whether by employees, tele-callers, field staff, LSPs, or any authorised entity, shall be courteous, professional, and respectful. The purpose of every call or visit shall be clearly stated.

The privacy of customers shall be respected at every stage. Tele-calling shall comply with DND norms, and calls shall be placed only during reasonable hours.

The Company shall ensure that call recordings, digital interactions, and customer data logs are maintained strictly in accordance with RBI's digital lending and data governance framework, with appropriate safeguards to prevent misuse.

11. COLLECTION, RECOVERY AND DIGNIFIED TREATMENT OF CUSTOMERS

Ramchandra Leasing and Finance Limited shall ensure that its collection processes uphold dignity and restraint. Recovery personnel and authorised agents shall identify themselves unequivocally and shall carry identification issued by the Company.

Recovery efforts shall not involve intimidation, harassment, coercion, public humiliation, or interference with the borrower's family or workplace. Field visits and recovery activities shall be conducted only during the window permitted by RBI (currently 8:00 AM to 7:00 PM) unless specific regulatory exceptions apply.

Recovery personnel engaged through third-party agencies shall be subject to strict due diligence, training, supervision, and monitoring. The Company shall remain fully liable for their conduct and shall undertake periodic audits, including review of call recordings and field logs, to ensure adherence to ethical standards.

12. Grievance Redressal and Customer Protection Mechanism

The Company shall maintain a structured, time-bound grievance redressal mechanism accessible through email, phone, physical correspondence, and digital platforms including the Company's website and DLAs. Complaints shall be acknowledged promptly and resolved within timelines consistent with internal policy and RBI directives.

A Nodal Officer shall be appointed under the RBI Integrated Ombudsman Scheme to oversee grievance management, ensure timely escalations, and maintain detailed records. If a complaint remains unresolved for more than 30 days, the customer shall be informed of their right to approach the RBI Ombudsman.

The Company shall display details of the grievance mechanism at its offices, website, and digital interfaces, ensuring that borrowers are aware of their rights.

13. DATA PROTECTION, CONFIDENTIALITY AND RESPONSIBLE USE OF INFORMATION

Customer data shall be collected, processed, stored, and shared strictly in accordance with the Information Technology Act, the SPDI Rules, and RBI's Digital Lending data governance framework. Access to customer data shall be granted only on a need-to-know basis and solely for lawful business purposes.

Borrower information shall not be shared with third parties except with explicit borrower consent or when required by law, regulatory authorities, credit bureaus, or partners engaged for legitimate credit operations.

The Company shall maintain strong cybersecurity systems, encryption protocols, and internal controls to ensure data confidentiality.

LSPs and digital platforms acting on behalf of the Company shall not store or use customer data except in a manner expressly permitted under RBI guidelines.

14. OVERSIGHT OF LSPS, OUTSOURCED PARTNERS, AND DIGITAL PLATFORMS

Recognising that outsourcing is an extension of the Company's operations, Ramchandra Leasing and Finance Limited shall ensure that every LSP, collection agency, tele calling partner, technology service provider, and DLA operates strictly within the framework of this FPC, the Company's Outsourcing Policy, and RBI's Outsourcing Directions.

All partners shall undergo continuous monitoring, risk assessment, compliance checks, and behavioural audits. Agreements with such partners shall explicitly bind them to the principles of fairness, transparency, data confidentiality, and ethical conduct.

15. Internal Control, Monitoring, Record-Keeping and Review

Compliance with this Code shall be reviewed periodically through internal audit, compliance checks, MIS reporting, and Board-level oversight. The Company shall maintain complete documentation and audit trails, including sanction letters, KFS, digital consents, call recordings, agent logs, and grievance records, for durations mandated by RBI.

The FPC shall be reviewed annually or sooner if required due to regulatory developments, operational changes, or supervisory observations. Amendments shall become effective only upon approval by the Board of Directors, and the latest version shall always be made available at the Company's Corporate Office at Noida and on its website.

FOR & ON BEHALF OF RAMCHANDRA LEASING AND FINANCE LIMITED

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Dhiraj Kumar Jha
Company Secretary