

INDUSTRIAL INVESTMENT TRUST LIMITED

FAIR PRACTICES CODE

for

LOAN SANCTIONING AND DISBURSEMENTS

The Board of Directors (the “Board”) of Industrial Investment Trust Limited (“the Company”) adopt the following Fair Practices Code for sanctioning and disbursement of loans as required by the Reserve Bank of India Notification No. DNBS (PD) CC No. 80 / 03.10.042 / 2005-06 dated September 28, 2006.

(i) Applications for loans and their processing

- (a) All communications to the borrower shall be in the vernacular language or a language as understood by the borrower.
- (b) The Loan application forms should include necessary information which would affect the interest of the borrower and also list out the documents required to be submitted alongwith the application form.
- (c) The Company shall acknowledge the receipt of the loan applications by affixing the Company stamp and date. Preferably, the time frame within which loan applications will be disposed of should also be indicated in the acknowledgement.

(ii) Loan appraisal and terms/conditions

The Company shall issue to the borrower, a sanction letter giving details of the amount of loan sanctioned, annualised rate of interest and other terms and conditions in the vernacular language as understood by the borrower and keep the acceptance of these terms and conditions by the borrower on its record.

The Company shall mention the penal interest charged for late repayment in bold in the loan agreement.

The Company shall also maintain all the records pertaining to the loans sanctioned to the borrower.

The Company shall furnish a copy of the loan agreement preferably 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 all the borrowers at the time of sanction / disbursement of loans.

(iii) Disbursement of loans including changes in terms and conditions

- (a) The Company shall give notice to the borrower in the vernacular language or a language as understood by the borrower for any change in the terms and conditions of the loan including disbursement schedule, interest rates, service charges and prepayment charges. The Company should also ensure that changes in interest rates and charges are effected only prospectively. The loan agreement shall stipulate a condition in this regard.
- (b) The Company shall recall / accelerate payment as provided in the loan agreement.
- (c) The Company shall release all securities upon 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.

The Company shall give notice to the borrower for any right of set off to be exercised 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.

(iv) General

- (a) 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 disclosed by the borrower, is required to be submitted.
- (b) The Company shall convey its intention / objection to the borrower within 21 days of the request for transfer of his borrowal account, which shall be as per transparent contractual terms in consonance with law.
- (c) The Company shall not persistently harass or bother the borrower for the purpose of recovery of loans. The Company shall ensure that the staff are adequately trained to deal with the customers in an appropriate manner.

(v) Grievance Redressal Mechanism

The Company believes in speedy redressal of grievances of the Borrower and guides its Borrowers who wish to lodge a complaint and also provide guidance on what to do in case the Borrower is unhappy with the outcome.

Level 1 Escalation:

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 within 10 working days.

Grievance Redressal Officer

Mr. Kamlesh Agrawal
Group Chief Financial Officer
Office No.101A, 'The Capital',
G Block, Plot No.C-70,
Bandra Kurla Complex,
Bandra East, Mumbai – 400051
E Mail : kamlesh@iitlgroup.com
Mobile : 9004729731
Tel : +91-22-43250118

(between 10:00 a.m. and 05:00 p.m., from Monday to Friday except on public holidays)

In case the complaint is not resolved within the given time or you are not satisfied with the solution provided through above channel, you may approach the following:

Level 2 Escalation:

Nodal Officer under the Ombudsman Scheme for Non Banking Financial Companies, 2018:

Mrs. Cumi Banerjee, Chief Executive Officer & Company Secretary
Office No.101A, 'The Capital',
G Block, Plot No.C-70,
Bandra Kurla Complex,
Bandra East, Mumbai – 400051
Tel: +91-22-43250100
Email: cumi_banerjee@iitlgroup.com

(between 10:00 a.m. and 05:00 p.m., from Monday to Friday except on public holidays)

You will receive response within 10 working days. Please quote the reference of your earlier communication in this regard.

Level 3 Escalation:

If you are still not satisfied with the resolution provided through various channels as stated above or if the complaint is not redressed within a period of one month, you may appeal to Officer-in-Charge of RBI under whose jurisdiction the Registered Office of Industrial Investment Trust Limited falls.

The details with respect to Officer-in-Charge are as follows:-

The Officer in Charge
The Reserve Bank of India,
Department of Non-Banking Supervision,

Mumbai Regional Office, 3rd Floor,
Opp. Mumbai Central Railway Station,
Byculla, Mumbai - 400 008
Phone: 022 23084121
Fax: 022 23099122
Email id: dnbsmro@rbi.org.in

The Board of Directors shall also periodically review the compliance of Fair Practices Code and the functioning of the grievance redressal at different levels of management.

(vi) Display of Fair Practices Code on the Company's website

This Fair Practices Code (which should preferably in the vernacular language or a language as understood by the borrower), as approved by the Board of Directors of the Company should be put up on their website, if any, for the information of various stakeholders.

(vii) Regulation of excessive interest charged by NBFCs

The Board of Directors should lay out appropriate internal principles and procedures in determining interest rates and processing and other charges.

- (a) The Board of Directors of the Company shall adopt an interest rate model taking into account relevant factors such as, cost of funds, margin and risk premium, etc 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.
- (b) The rates of interest and the approach for gradation of risks shall also be made available on the website of the companies or published in the relevant newspapers. The information published in the website or otherwise published should be updated whenever there is a change in the rates of interest.
- (c) The rate of interest should be annualised rates so that the borrower is aware of the exact rates that would be charged to the account.

Place: Mumbai
Date: March 24, 2022