

## **Fair Practices Code**

### General

- a. This code shall apply across all aspects of IDFC's operations including all products and services currently offered by us and those which may be introduced at a later date.
- b. IDFC shall ensure that its employees act in an honest and ethical manner when interacting with clients.
- c. IDFC shall refrain from interference in the affairs of its clients except for the purposes provided in the terms and conditions of an Agreement entered into with the client (unless new information, not earlier disclosed by the client, has come to the notice of IDFC).
- d. In the matter of recovery of loans, IDFC shall not resort to undue harassment viz. persistently bothering the borrowers at odd hours, use of muscle power for recovery of loans, etc.

### Applications for financial assistance and processing

- a. Loan proposal details of IDFC shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other lenders can be made and informed decision can be taken by the borrower. The loan proposal form shall indicate the documents required to be submitted with the loan proposal.
- b. The indicative time frame within which loan proposals will be processed would be indicated to the prospective borrowers.

- c. IDFC shall convey to the borrower by means of sanction letter or otherwise, the fate of the loan proposal. In case of the loan being sanctioned, the sanction letter shall inter alia include amount of loan sanctioned along with the terms and conditions including rate of interest. The acceptance of the terms and conditions by the borrower shall be kept by IDFC for its records.
- d. IDFC shall give notice to the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. IDFC shall endeavor that changes in interest rates and charges are effected only prospectively.
- e. The decision of IDFC to recall / accelerate payment or performance under the agreement should be in consonance with the loan agreement entered into with the borrower.
- f. IDFC shall 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 it may have against the borrower. If such right of set off is to be exercised, the borrower shall be given notice about the same with full particulars about the remaining claims and the conditions under which IDFC is entitled to retain the securities till the relevant claim is settled/paid.

#### Grievance redressal mechanism

- a. The implementation of the Fair Practice Code shall be the responsibility of the entire organization. IDFC shall make every effort to ensure that its dealing with customers is

smooth and hassle free. Any complaint brought to IDFC's notice by a customer will be handled expeditiously.

- b. All disputes / complaints arising out of the decisions of IDFC's functionaries would be heard and disposed of at least at the next higher level after it is brought to their notice.
- c. The Fair Practices Code shall be reviewed once every year and any changes deemed necessary shall be made with the approval of the Board of Directors.