FAIR PRACTICE CODE

OF

FINNABLE CREDIT PRIVATE LIMITED

Version	Date	Approved by
V1	03rd December 2017	Board of Directors
V2	18th March 2019	Board of Directors
V3	13th October 2022	Board of Directors
V4	05th September 2025	Board of Directors

PREAMBLE

The Fair Practices Code ("FPC") has been formulated by Finnable Credit Private Limited ("Finnable" or "Company") in accordance with guidelines issued by the Reserve Bank of India ("RBI") from time to time about the fair practice which a Regulated Entity must adopt and implement in carrying out its business activities. This Fair Practice Code (as amended from time to time) is a governing and binding document which prescribes the practical approach by Finnable Credit while doing lending business. The guidelines inter alia cover general principles on adequate & transparent disclosures on the terms and conditions of a loan and adopting a non-coercive recovery method, with focus on spreading awareness and instilling credit discipline in its borrowers.

1. **Applications for loans and their processing:**
   - All communications shall be in the vernacular language or a language as understood by the borrower. Finnable shall have English as its by default language but the customer shall not be deprived of his right to seek vernacular version of the communication, at any time.

   - As part of the loan process, to inter alia ensure utmost transparency, Finnable provides all necessary information to the customer along with the sanction/term sheet/application/proposal as the case may be including but not restricted to nature of security required fees/charges, if any, payable for processing, the non-refundable nature of fees including in the case of non-acceptance of loan proposal, pre-payment options, checklist in respect of information/papers required for considering loan and any other matter which effects the interest of the customer 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 customer.

   - Finnable would give acknowledgement for receipt of all loan applications. The time frame within which loan application shall be disposed of shall also be indicated in the acknowledgement. The company would verify the loan applications within a reasonable period of time. If additional details / documents are required, it would intimate the customers immediately.

   - Key Facts Statement (KFS): The Company shall provide a standardized KFS to all retail and MSME borrowers (if any) before the execution of the loan agreement, in conformity with the RBI guidelines, as may be applicable from time to time. The KFS must include the Annual Percentage Rate (APR), which encompasses the interest rate and all associated fees (processing, documentation, etc.). No charge that is not mentioned in the KFS shall be levied at any stage without prior intimation to the borrower. The KFS shall also prominently disclose the Equated Periodic Instalment (EPI) / EMI, total amount payable by the borrower over the loan tenor, and the recovery/grievance contact details of the Company. A copy of the executed KFS, duly acknowledged by the borrower, shall be retained by the Company.

2. **Loan appraisal and terms and conditions:**
   - Finnable shall convey in writing in such language as understood by all customers of Finnable by means of Sanction letter or Term sheet or any other form of written communication, key terms and conditions of the proposed exposure including:

     - amount of loan sanctioned along with the terms and conditions including annualized rate of interest,
     - details of the default charges / penal charge rates (expressed in percentage per

month / annum as the case may be, without capitalization) and the charges payable by the customers in relation to their loan account and method of application thereof, would be mentioned in bold in the loan agreement.

(**Note -** There shall be no capitalization of penal charges i.e. no interest on interest).

- acceptance of terms and conditions and other caveats governing the credit given by Finnable arrived at after negotiation.
- all other information which is relevant from the point of view of the loan to be provided and all the parties involved.

- Finnable shall furnish a copy of the loan agreement in such language as understood by the borrower along with copy of all relevant enclosures quoted in the loan agreement to all the borrowers at the time of sanction/disbursement of the loan and shall be duly accepted by the customer.

3. **Disbursement of loans including changes in terms and conditions:**

- Finnable shall give advance notice in such language as understood by the customer regarding any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. The customers shall have the right to either accept the changes or pay off their outstanding dues within a reasonable period (30-60 days, as may be decided on case to case basis).

- Changes in the interest rates and charges shall be effective prospectively.

- Decision to recall / accelerate payment or performance under the agreement should be in consonance with the loan agreement. Before taking a decision to recall / accelerate payment or performance under the agreement or seeking additional securities, Finnable shall give notice to customers in consonance with the loan agreement in English or such other language as may be understood by the customer English as may be understood by the customer.

- In cases of Floating Interest Rates loan products, (if any launched in future) at the time of reset, borrowers shall be given options to: (a) Switch to a fixed rate, (b) Enhance EMI, (c) Elongate tenure, or (d) Prepay the loan. However, any elongation of tenure shall not result in negative amortization. Further, the company shall not levy foreclosure/pre-payment charges on floating-rate term loans sanctioned to individual borrowers for non-business purposes.

- The Company shall have necessary process and infra to take possession of and release such possession of, collaterals / properties (including title documents), which may be obtained by Company from the individual customers, within the stipulated period, which shall not exceed 30 (thirty) days from the date of repayment / settlement of the loan. The Company shall also adhere to penalties / claims / liabilities which may be levied / accrued on account of delay in release of such security/collateral, including title documents.

4. **General:**

- Finnable will not interfere in the affairs of the borrower except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the borrower, has been noticed).

- In case of receipt of request from the borrower for transfer of loan account, the consent or otherwise i.e., objection from Finnable, if any, should be conveyed within 21 days from the date of receipt of request. Such transfer shall be as per transparent contractual terms in consonance with law.

- If the customer does not adhere to repayment schedule, a defined process in accordance with the laws of the land will be followed for recovery of dues. The process will involve reminding the customer by sending the reminders electronically, notices (including legal recourse notices) or by making personal visits, if any. Finnable shall ensure that its process of recoveries will not involve harassment to the Customer. Appropriate instructions and training will be provided by Finnable to its staff for handling customer queries and grievances cordially.

- All the fees / charges / interest would be payable as per interest rate policy or as per mutually agreed terms.
- Cooling-off / Look-up Period: In conformity with the RBI Guidelines on Digital Lending, the Company shall provide a cooling-off / look-up period to all digital loan borrowers. During this period, the borrower may exit the loan by repaying the principal and proportionate APR without any penalty. The cooling-off period shall be a minimum of 3 (three) days for loans with a tenor of 7 (seven) days or more, and a minimum of 1 (one) day for loans with a tenor of less than 7 (seven) days. The borrower's exercise of the cooling-off option shall be treated as a foreclosure and no prepayment or foreclosure penalty shall be levied during this period. The Company shall specify such period in the KFS / Loan agreement for the customer.
- Non-Discrimination: Finnable shall not discriminate against any borrower or applicant on the grounds of gender, caste, religion, race, place of birth, or any other basis that is prohibited under applicable law. The Company shall ensure that its credit appraisal, loan sanctioning, and recovery processes are applied consistently and without prejudice. Any complaints of discriminatory treatment shall be treated as a grievance and addressed through the Grievance Redressal Mechanism.
- Credit Information Reporting: The Company, being a member of Credit Information Companies (CICs) as required under the Credit Information Companies (Regulation) Act, 2005, shall submit accurate and timely credit data of all borrowers to such CICs. The Company shall also ensure that any corrections to credit information reported, as requested by borrowers, are processed and communicated to the relevant CIC within 30 (thirty) days of receipt of such request or at such periodicity as may be statutorily applicable to it.

5. **Responsibility of Board of Directors:**
   - The Board of Directors of Finnable has laid down Grievance Redressal Mechanism("GRM") within the organization as per details mentioned in the next paragraph. Such a mechanism ensures that all disputes arising out of the decisions of Finnable's functionaries are heard and disposed of at least at the next higher level from where the decision was made.
   - The Board of Directors of Finnable shall annually review the compliance of the FPC and the functioning of the GRM. Details of the Grievance Redressal Officer and the RBI – Integrated Ombudsman (accessible at https://cms.rbi.org.in or Toll-Free: 14448) shall be prominently displayed on the Company's website, at its registered office. A consolidated report of compliance shall be submitted to the Board every year.
   - The Board of Directors shall publish the Code of Conduct for its DSA/DMA/Collection & Recovery Agents to ensure they abide to the regulatory requirements, besides compliance with any internal standards of service, as may be set by FCPL for its service providers. Such Code of Conduct can be as per **Annexure C.**

6. **Grievance Redressal Mechanism ("GRM")**

   The Board of Directors of the Company has laid down a GRM in compliance with various regulations applicable on the Company. The Grievance Redressal Mechanism is attached as **'Annexure-A'**.

7. **Language and mode of communicating Fair Practice Code (FPC):**

- FPC as established by Finnable has been established in English language, since English serves as the primary language of the Company's operations and target customer base. The FPC is based on the Guidelines and RBI Master Directions as outlined by the RBI.
- FPC copies in other vernacular language shall also be published on the website of the Company.
- Notwithstanding anything contained in this FPC, the Company shall ensure that any document including onboarding documents, servicing notices, closure documentation, etc. shall also be provided to the customers in the vernacular language of their choice, if so requested by them, over and above the English versions.

8. **Regulation of excessive interest rates charged:**

- Finnable shall adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances.

- Finnable will disclose to the borrower the risk and rationale for charging different rate of interest to different categories of borrowers in the application form and such rate must be explicitly communicated in the sanction letter and the Key Facts Statement (KFS).

- Finnable shall comply with the regulatory restriction and conditions regarding interest to be charged from the customers and attempt to communicate to its customers

- The rates of interest and approach for gradation of risk is also made available as an Annexure to this document on Finnable's website- **Annexure-B Interest Rate Model.**

- The rate of interest being charged by Finnable shall be annualized rate to make the customer aware of the exact rates that would be charged to the account.

9. **Complaints about excessive interest rates charged:**

- Board of Finnable shall lay out an interest rate policy mentioning internal principles and procedures in determining interest rates, processing charges and other charges.

REVIEW OF THE FPC:

The FPC shall be amended or modified with approval of the Board. The FPC shall be reviewed by the Board as and when required, but once in every 3 years. Consequent upon any amendments in RBI Master Direction or any change in the position of the Company, necessary changes in this FPC shall be incorporated and approved by the Board.

Notwithstanding anything contained in this FPC, in case of any contradiction of the provision of this FPC with any existing legislations, rules, regulations, laws or modification thereof or enactment of a new applicable law, the provisions under such law, legislation, rules, regulation or enactment shall prevail over this FPC.

Annexure-A

GRIEVANCE REDRESSAL MECHANISM

Customer service is extremely important for sustained business growth and as an Finnable strives to ensure that our customers receive exemplary service across different touch points.

A. PURPOSE

Customer complaints constitute an important voice of customer, and this policy details complaint handling through a structured grievance redressal framework. Complaint redressal is supported by a review mechanism, to minimize the recurrence of similar issues in future. The Grievance Redressal policy follows the following principles:

1. Customers are treated fairly;
2. Complaints raised by customers are dealt with courtesy and in a timely manner;
3. Customers are informed of avenues to escalate their complaints within the organization, and their rights if they are not satisfied with the resolution of their complaints;
4. The employees work in good faith and without prejudice, towards the interests of the customers.

B. INTERNAL MACHINERY TO HANDLE CUSTOMER COMPLAINTS

The Company has invested in the best-in-class CRM system to ensure timely resolution of the grievances. The system captures the complaints; follows TATs based on the nature of the query and escalates issues on the basis of predefined TATs and as per the escalation matrix. For any Person with Disability, the Company shall ensure to reach such customer and provide necessary support for resolving their grievance / query.

Once captured in the CRM system, the customer care will be responsible for resolution of complaint/grievance to the customer's satisfaction within a period of 30 days. Every attempt will be made to offer the customer suitable and appropriate alternate solutions wherever possible.

However, if the customer continues to remain dissatisfied with the resolution, (s)he can escalate the issue through the grievance redressal mechanism as referred below.

C. TIME FRAME

Suitable timelines of 30 days have been set for every complaint depending upon the investigations which would be involved in resolving the same. Complaints are suitably acknowledged on receipt and the customers are informed of delays if any, in the resolution.

D. REVIEW AND MONITORING

Periodic review of monitoring of complaints, TATs, nature of complaints will be done to ensure that process loopholes, if any, are plugged and trends are checked.

E. ESCALATION MATRIX:

➢ **Customer care**

Borrowers are requested to address all their grievances at the first instance to the Customer care team. The contact details of the Customer are:

Email Id: makeiteasy@finnable.com

The Customer care team shall endeavor to resolve the grievance within a period of 30 (Thirty) days from the date of receipt of a grievance.

➢ **Grievance Redressal Officer**

If the Borrower does not receive a response from the Customer care team within 14 (fourteen) days of making a representation, or if the Borrower is not satisfied with the response received from the Customer care team, the Borrower may reach out to the Grievance Redressal Officer on the number below anytime between 10 AM and 7 PM from Monday to Saturday except public holidays or write to the Grievance Redressal Officer at the e-mail address below. The contact details of the Grievance Redressal Officer are provided below.

Ms. Suman Kumari
Designation: Grievance Redressal Officer
Address: Finnable Credit, IndiQube Lakeside, 4th Floor Municipal No. 80/2
Wing A Bellandur Village, Varthur Hobli, Bengaluru, KA 560103 IN
Contact: 9900833371
Email: gro@finnable.credit

F. RBI – Integrated Ombudsman Scheme

If a Borrower is not satisfied with the response received from the Grievance Redressal Officer, or does not receive a response within 30 (thirty) days of lodging a complaint, the Borrower may approach the RBI's Integrated Ombudsman Scheme ("IOS") as per the details below. The IOS is available for complaints against the Company as a Regulated Entity under the Reserve Bank – Integrated Ombudsman Scheme, 2021.

Portal: https://cms.rbi.org.in | **Toll-Free:** 14448 | **Email:** crpc@rbi.org.in

Annexure-B

INTEREST RATE MODEL

Code on Interest Rate Model, Policies and Procedure on determining Interest Rates and other charges

Keeping in view the RBI's guidelines as cited above, the following internal guidelines, policies, procedures, and interest rate model shall be taken into account when determining interest rates or other charges:

- Interest rates charged by the Company depends on a variety of factors including cost of borrowed funds, matching tenor cost, market liquidity, RBI policies on credit flow, offerings by competition, market reputation, cost of operations, disbursements, cost of capital required, inherent credit and default risk in the borrower and products, industry trends, etc. Identical products with identical tenor and availed during the same period may attract different interest rates for different customers. Interest rates could vary depending upon consideration of all or combination of multiple factors including but not limited to the following:

    - Credit and default risk in the related industry segment;
    - Historical performance of similar homogeneous clients;
    - Profile of the applicant;
    - Industry segment;
    - Repayment track record of the applicant;
    - Loan ticket size;
    - Loan tenor;
    - Location delinquency and collection performance;
    - Other indebtedness of the applicant.

- Interest rates will be intimated to the customers at the time of sanction of the loan and the interest and principal repayment schedule will be made available to the customer.
- The interest shall be deemed payable immediately on the due date as communicated and no grace period for payment of interest is allowed.
- Besides normal interest, the company may levy additional interest for ad hoc facilities, penal charges (not compounded as interest) for any delay or default in making payments of any dues.
- Besides interest, other financial charges like processing fees, late payments, cheque bounce charges, pre-closure charges, etc. may be levied by the company under due communication to the customer, wherever considered necessary. Any revision in these charges would be with prospective effect.
- Claims for refund or waiver of charges / penal charges / additional interest will normally not be entertained by the company and it is the sole discretion of the company to deal with such requests, if any.
- The interest reset period shall be decided by the company from time to time and communicated to the customer.
- The interest rate Code shall be available on website of Company and updated from time to time.

Annexure-C

CODE OF CONDUCT FOR DSAs, DMAs, AND RECOVERY AGENTS

1. Purpose and Scope

This Code of Conduct ("Code") outlines the mandatory ethical and operational standards for all third-party agents engaged by **Finnable Credit Private Limited ("FCPL")**. As an NBFC-ICC, FCPL holds ultimate responsibility for the actions of its agents. Failure to adhere to this Code shall result in immediate termination of the outsourcing arrangement.

2. General Principles of Conduct

- **Integrity:** Agents must act with honesty and transparency in all dealings with prospective and existing customers. Any type of inducement or luring act, for providing loans to customers shall be strictly prohibited.
- **No Misrepresentation:** Agents shall not make false or misleading statements regarding loan products, interest rates, processing fees, or FCPL's terms and conditions.
- **Transparency:** All product literature and brochures used by agents must clearly state that they are acting as agents for FCPL.

3. Privacy and Data Protection

- **Confidentiality:** Agents must maintain absolute confidentiality of customer data.
- **Need-to-Know Access:** Access to customer information is strictly limited to a "need-to-know" basis for performing authorized tasks.
- **Data Isolation:** Customer records of FCPL must be kept isolated from other clients' data handled by the agent.
- **Reporting Breaches:** Any security breach or unauthorized data leakage must be reported to FCPL immediately.
- **Digital Personal Data Protection (DPDP) Compliance:** All agents handling customer data must comply with the Digital Personal Data Protection Act, 2023 ("DPDP Act"). Agents must process customer personal data only for the specific, lawful purposes authorised by FCPL and must not retain, copy, transfer, or use such data beyond the scope of their engagement. Any request by a customer to access, correct, or delete their personal data must be immediately forwarded to FCPL's Grievance Team:

  Ms. Suman Kumari
  Designation: Grievance Redressal Officer
  Address: Finnable Credit, IndiQube Lakeside, 4th Floor Municipal No. 80/2
  Wing A Bellandur Village, Varthur Hobli, Bengaluru, KA 560103 IN
  Contact: 9900833371
  Email: gro@finnable.credit

- Agents must not use customer data for any cross-selling, profiling, or marketing purposes not explicitly authorised in writing by FCPL. They must validate with FCPL if the customer has provided consent to receive such promotional / marketing communications.

4. Specific Conduct for DSAs and DMAs (Sales & Marketing)

- **Unsolicited Communications:** Agents must strictly adhere to "Do Not Call" (DNC) registries and only contact customers during authorized hours (typically 08:00 AM to 07:00 PM).
- **Fair Practice:** No agent shall pressure a customer into applying for a credit facility. No customer shall be tricked in any manner for availing credit facilities which are not intended by them.

- **KYC Sourcing:** While agents may assist in the collection of KYC documents, they are prohibited from making final decisions on KYC compliance. They shall share the KYC documents collected, if any, with the Company within 2 working days.

5. Specific Conduct for Collection & Recovery Agents

FCPL follows a "Zero Tolerance" policy toward harassment or intimidation during the recovery process.

- **Dignity and Respect:** Customers must be treated with courtesy. Agents shall not use muscle power, threats, or any form of verbal or physical abuse.
- **Authorized Hours:** Collection visits and calls must occur between **08:00 AM and 07:00 PM**. Contact outside these hours is strictly prohibited unless specifically requested by the customer.
- **Privacy of Debt:** Agents shall not inform third parties (neighbours, employers, family members) about a customer's default, nor shall they post "shaming" notices in public or on social media.
- **Identification:** Recovery agents must carry a valid identity card and an authorization letter from FCPL during all field visits.
- **Documentation:** All calls made for recovery purposes must be recorded, and a summary of field visits must be maintained for FCPL's audit.

6. Prohibited Activities

- **Core Functions:** Agents shall not perform core management functions, including loan sanctioning or strategic policy formulation.
- **Unauthorized Charges:** Agents are strictly prohibited from collecting any cash, fees, or commissions directly from customers. All payments must be made directly to FCPL's designated accounts.
- **Sub-contracting:** No agent shall sub-contract FCPL's activities to another party without prior written consent from FCPL.

7. Do's and Don'ts for DSA, DMA, Collection & Recovery Agents

7.1 For DSA, DMA (Sourcing & Marketing)

Do's	Don'ts
Identity Disclosure: Always identify yourself, your agency, and state that you are representing Finnable Credit Private Limited at the start of every call/visit.	Misrepresentation: Do not claim to be an employee of FCPL if you are a third-party agent. Never claim to be a government official, administrative official or bank officer.
Permissible Hours: Contact prospects only between 08:00 AM and 07:00 PM, unless the customer has specifically requested a call outside these hours.	No "Serial Dialling": Do not call a customer repeatedly within a short span of time. Do not call numbers on the DND (Do Not Disturb) registry. Take guidance from FCPL's collection team on such cases.
Language & Courtesy: Communicate in the language most comfortable for the customer. Always be polite and request permission before proceeding with the pitch.	Misleading Promises: Do not guarantee loan approval, specific interest rates, or "zero processing fees" unless explicitly authorized by FCPL's product sheet.
Privacy: Discuss loan details only with the applicant. If they are unavailable, leave a brief message asking for a call back without disclosing sensitive financial info.	Unauthorized Documentation: Do not collect original KYC documents or property papers. Only self-attested copies should be handled as per the SOP. All KYC records shall be delivered to FCPL immediately (within 2 working days)
Gifts: Report any offers of bribes or gifts from customers to the FCPL Compliance Officer immediately at compliance@finnable.com	Cash Collection: Never collect cash or any fees in your personal name/account. All payments must go to FCPL's official account.

7.2 For Collection & Recovery Agents (For recovery process)

Do's	Don'ts
Identification: Carry your FCPL-issued ID Card and the specific Authorization Letter for the particular customer account during every field visit.	Harassment/Coercion: Do not use muscle power, abusive language, or shout. Physical or verbal intimidation is a zero-tolerance violation.
Strict Timings: Calls and visits must occur strictly between 08:00 AM and 07:00 PM. Avoid calls during sensitive times (e.g., bereavement or family illness).	Public Shaming: Do not inform neighbours, employers, or family members about the customer's debt. Do not post about defaults on social media.
Record Keeping: Ensure all recovery calls are made through recorded lines provided by the agency/FCPL. Maintain a log of every field visit.	Inappropriate Visits: Do not enter the customer's residence against their will or stay if only minors/elderly/infirm persons are present.
Dignity: Treat the borrower with respect. Focus the conversation on understanding the reason for non-payment and proposing a resolution.	False Legal Threats: Do not threaten the customer with "immediate arrest" or claim that a "police team is on the way" unless a legal warrant exists.
Grievance Redressal: If a customer contests the debt or reports a grievance, provide them with FCPL's Nodal Officer's contact details and pause collection for that period.	Unauthorized Settlements: Do not commit to "loan waivers" or "one-time settlements" (OTS) without a written approval letter from FCPL's team.

7.3 Professionalism & Appearance (Common for All)

- **Do:** Maintain a well-groomed appearance. For men, this typically means formal trousers and ironed shirts; for women, formal/semi-formal attire (Saree, Suit, or Trousers). Smart casuals shall also be permitted.
- **Don't:** Wear casual clothing like T-shirts, torn jeans, or flip-flops during customer visits.
- **Do:** Respect "No Solicitation" or "Private Property" signs at office complexes or residential societies. Inform the customer about your visits / call in advance as per internal practices on customer communication.
- **Don't:** Argue with the customer, even if they become agitated. Maintain a professional distance at all times.

8. Grievance Redressal

- Agents must inform customers of FCPL's Grievance Redressal Mechanism and also share the relevant link from FCPL's website or provide nearest branch address where customer can reach out to FCPL.
- If a customer expresses a grievance, the agent must immediately cease the current interaction and direct the customer to FCPL's Grievance Redressal Officer.
- The customer must be guided adequately on the Grievance Redressal Mechanism of Company, ensuring they are provided safe & comforting environment to freely raise their concerns.

9. Monitoring and Compliance

- **Audit Rights:** FCPL and RBI reserve right to audit the agent's premises, records, and call logs at any time.
- **Annual Review:** The performance and financial health of the DSA, DMA and Collections Agents will be reviewed annually by FCPL.
- **Training:** All agents must undergo mandatory training on FCPL's FPC and this Code of Conduct before commencing work. They shall also hold necessary certifications as stipulated under applicable laws. They shall also ensure to attend periodic workshops/events, self-certification modules, as the case may be, mandated by FCPL for capacity building and training.